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# JAPAN'S PROTEST DISREGARDED

See Page 3

FIRST ED.

# CHINA MAIL

FIRST NEWSPAPER IN THE FAR EAST. ESTABLISHED 1845.

No. 22,077 THURSDAY, FEBRUARY 20, 1941 Price: 10 cts.


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# MR. MATSUOKA'S CURIOUS MESSAGE TO MR. ANTHONY EDEN

## Desire For Peace In East And To Help Elsewhere!

**"BRITAIN WILL NOT ENTERTAIN PEACE PROPOSALS UNTIL COMPLETE VICTORY HAS BEEN GAINED."**

**This categorical statement was made in authoritative quarters in London yesterday commenting on the offer of a Japanese spokesman that Japan is ready to mediate "in any war" if invited.**

These quarters point out that it is most interesting that the Japanese spokesman should feel called on to make such an offer.

They add: "The Japanese evidently do not appreciate conditions in Europe brought about by the war started by their ally.

"As the British Prime Minister has emphasised over and over again there can be no compromise." — Reuter.

### "Serious Approach"

The Japanese Foreign Minister, Mr. Matsuoka, Reuter's diplomatic correspondent learns, has addressed a special message to Mr. Anthony Eden, the Foreign Secretary.

**In the message Mr. Matsuoka offers to take whatever action is needed to restore normal conditions not only in the Far East but anywhere in the world.**

This official endorsement of the proposal made by Mr. Ishii, the Japanese spokesman in Tokyo, on Tuesday, gives it a very different importance from the apparently casual suggestion of a subordinate official.

**It becomes a serious approach from the head of a Government, which is in contractual relationship with Germany and Italy, although Mr. Ishii expressly stated they had not been consulted.**

Naturally Mr. Matsuoka's message will be received with the consideration which the authority of the sender demands, but there is not likely to be any variation in general of the immutable principles of British policy.—Reuter.

### Commons Statement

REPORTS OF AN IMPENDING JAPANESE EFFORT TO MEDIATE IN THE WAR WERE STRENGTHENED BY A STATEMENT BY THE UNDER-SECRETARY FOR FOREIGN AFFAIRS, MR. R. A. BUTLER, IN THE HOUSE OF COMMONS YESTERDAY.

In reply to an invitation to make a statement on the Far Eastern situation Mr. Butler referred to the recent increase in tension over "certain events," notably over the dispute between Indo-China and Thailand.

He added: "The Japanese official spokesman made a statement to the press yesterday.

"The Foreign Secretary has received from the Japanese Foreign Minister a special message in courteous terms and on the same general line as the statement just referred to.

"The terms of this communication are at present receiving due attention."—Reuter.

## German 'Planes Try Intimidation On Greece

Reliable reports that German 'planes made reconnaissance flights over Greece on Tuesday are taken in Belgrade to indicate that Hitler is going forward with his nerve war in an attempt to force Greece to give up the struggle against Italy.

It now seems clear that he may try intimidation before risking a conflict by sending troops to the Greek frontier.

The German 'planes dropped no bombs and were not fired on by the Greeks. It is not known whether they used Bulgarian or Rumanian bases.—Reuter.

## India And Far East Crisis

**The Far Eastern crisis is being closely watched all over India, and news of the arrival of Australian troops in Singapore was greeted with general satisfaction.**

It is recalled that large numbers of Indian troops have been drafted to Malaya and the vigorous training they have since undergone has given them a thorough knowledge of the country.

Reuter learns that the Government of India is fully prepared for any eventuality.—Reuter.

## BOMBS IN SCOTLAND

BOMBS WERE DROPPED AT TWO PLACES ON THE NORTH-EAST COAST OF SCOTLAND YESTERDAY MORNING, STATES AN AIR MINISTRY COMMUNIQUE.

Some damage was done to buildings and there was a small number of casualties.

A few bombs were dropped near the East Anglian coast but did little damage and nobody was seriously hurt.—Reuter.

## BURMA APPLAUDS TROOPS IN AFRICA

The Burmese Senate yesterday unanimously passed a resolution expressing intense satisfaction at the glorious successes of the Imperial troops in Africa and desired heartiest congratulations to be conveyed to General Wavell, General Wilson and Admiral Cunningham. — Reuter.

## MISHAP TO ACTING GOVERNOR

It was revealed at the opening of the Budget Debate in Legislative Council this morning, to be reported fully in later editions, that His Excellency the Acting Governor, Lt. General E. F. Norton, had an accident out walking last evening.

The official announcement stated: "When walking in the country yesterday evening, His Excellency suffered a slight injury which prevents him from presiding to-day."

The Hon. Mr. N. L. Smith, who presided in the absence of General Norton, opening the proceedings, said: "I am sure I may express on behalf of this Council our deep sympathy and hopes for a very early recovery."

## JAPAN'S BID FOR OIL IN N.E.I.

The Netherlands East Indies Government has received a Japanese request to explore the oil areas in the N.E.I. and has indicated willingness to specify certain areas which could be explored, according to a Japanese report.

The Dutch authorities, however, are reported to have signified their willingness on the condition that Dutch observers accompany the Japanese surveyors.—Reuter.

## MORE ITALIAN PRISONERS

A further 3,500 Italian prisoners have arrived in India from Africa, making a total of 23,000 at present in the country, says Reuter from New Delhi.

## AUSTRALIA AT THE READY

The Australian Government has taken added precaution against the development of a sudden emergency after reviewing Australia's defence system, said the Acting Prime Minister, Mr. Fadden, in a speech in Melbourne yesterday.

No action would be taken and word spoken, he said, which would shatter peace in the Pacific.

"If the war comes to our front door, it will not be of our choosing.

"Let nobody think we are helpless and unfitted for such a supreme test," he concluded.—Reuter.

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# LION OF JUDAH IN CONTROL OF GOJJAM PROVINCE

**DANGILA, 40 MILES south-west of Lake Tana, the fall of which was briefly reported on Tuesday, strategically controls the whole of Gojjam province.**

The Italians had stationed there a Black Shirt division, with other white troops, though it is doubtful whether these troops were there when the town fell.

Abandonment of the town on Monday was the result of guerilla pressure during the past few weeks by Haile Selassie's patriots led by a British officer.

They on occasion approached to within a few feet of the town's strong defences. Five days of close attacks followed.

As the final blow was struck cooperation with the R.A.F. and messages received from 'planes enabled the patriots to capture some members of the garrison as they left during the bombardment.

Remainder of the garrison are retreating north-east towards Bahrdar Giorgis, a town on the southern point of Lake Tana, and are being harried by a small Abyssinian force.

### On Edge Of Plateau

Dangila stands on the edge of the northern escarpment of the Abyssinian Plateau, 7,000 feet up at the junction of old caravan routes to Addis Ababa from Galabat on the Sudan border, and from Roseires, on the Blue Nile, in the Anglo-Egyptian Sudan.

The population is small but since the Italian occupation roads built along the caravan routes have facilitated the exchange of local products, wheat, barley and coffee, with goods from other centres.—Reuter.

## ABYSSINIAN WOMEN AMONG THE PATRIOTS

Some Abyssinian women are fighting alongside their menfolk in the ranks of the Abyssinian patriots.

This was revealed last night by Princess Tshai, daughter of Haile Selassie, in a broadcast speech from London.

The Princess, who appealed for gifts of clothing for Abyssinian fighters, has lived in Britain for five years in exile.

She announced she hoped shortly to join an ambulance unit which is leaving for Abyssinia under the leadership of an Australian surgeon.—Reuter.


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## TWO HERO-COMRADES HONOURED

Two heroic officers belonging to the same squadron — one a youth of nineteen — are named in the latest list of R.A.F. awards.

"His magnificent fighting spirit has proved an excellent inspiration to his fellow pilots."

That Official tribute announcing that he had been awarded the D.S.O.—his third honour in three months—is Squadron-Leader A. A. McKellar's fitting epitaph.

He won the D.F.C. in September and a bar to it in October.

In defence of his country he destroyed twenty enemy aircraft.

Now he is dead—killed in action. He was twenty-eight.

Squadron-Leader McKellar, who was an Auxilliary Air Force officer, belonged to No. 605 (County of Warwick) Squadron. He was born at Paisley.

### Rammed A Bomber

Flying-Officer T. P. M. Cooper-Slipper, aged nineteen, of the same squadron, receives the Distinguished Flying Cross.

It is now disclosed for the first time that he was the pilot who deliberately rammed and destroyed a Dornier bomber at 19,000 feet after his own controls had been practically shot away.

Reporting his exploit to his superiors, he said, "My aircraft rammed one of the enemy bombers amidships. One of its wings was torn off.

"My craft was wrenched clear of the enemy 'plane, which was now minus its port wing and most of its engine.

"My machine was falling out of control in an inverted spin, so I left hurriedly."

Flying Officer Cooper-Slipper's home is at Kinver, near Stourbridge. He is officially credited with destroying seven German 'planes and damaging three others.

Bar to the Distinguished Flying Cross is awarded Pilot Officer R. F. T. Doe, D.F.C., No. 238 Squadron.

Pilot Officer G. H. Russell No. 236 Squadron, receives the D.F.C.

On reconnaissance off Brest, despite a box barrage of about 600 bursts and intense light A.A. fire which caused him to descend to 20ft. over the harbour, he obtained valuable information regarding the disposition of ships in the harbour and enemy aircraft.

On the return flight he attacked a Dornier 24 flying boat, which was destroyed after a short engagement.

## CANAL RAID HERO KILLED

Acting Squadron Leader J. A. Pitcairn Hill, D.S.O., D.F.C., leader of the Dortmund-Ems canal raid, one of the most daring bombing attacks on Germany's internal communications, has been killed in action, it was announced.

He was officially reported missing early in October.

The canal was the chief link for heavy transport between the Rhineland and North-West and Central Germany.

It was due to Hill's skilful judgment and resolution that the attack, carried out in August from less than 150ft., was pressed home despite the heaviest opposition.

The aqueduct over the canal was shattered by a shower of heavy bombs.

In official dispatches the raid, launched "precisely at zero hour," was described as a difficult operation.

### D.F.C.—Aged 19

For his part in the raid Acting Squadron Leader Pitcairn Hill was awarded the D.S.O. He won the D.F.C. the previous month.

He was the elder twin son of the Rev. C. C. Pitcairn Hill, M.A., the Barony Manse, Kilbirnie, Ayrshire.

The Air Ministry issues its fifty-second casualty list.

It reveals that Pilot-Officer Dudley Trevor Jay, nineteen-year-old fighter-pilot who was awarded the D.F.C. a month ago after destroying eight enemy aircraft, has been killed on active service.

His home was in South-East London.

## *Vichy To Try De Gaulle Adherents*

A big trial of officers who have joined General de Gaulle's movement is to begin on Tuesday next at Gannat, 10 miles west of Vichy, states a Vichy despatch to the official German news agency. The proceedings will not be open to the public.—Reuter.

# OLD MEN, BOYS, HELP GREEKS WIN

**OLD MEN AND boys, armed with hunting guns, blunderbusses and bill-hooks, and shepherds using grenades instead of stones in their slings, helped to rout the Italians in the mountains of Northern Greece.**

The story of this smashing of the Italian mechanised army's first assault on the Greeks in the Pindus Mountains was told for the first time when wounded Greek officers reached their base hospitals.

Evzones, the famous Greek kilted soldiers, and peasants share the credit for this amazing victory.

With his wounded leg propped up in bed, an Evzone sergeant told yesterday how his S O S for reinforcements to meet the Italian attack was answered in surprising fashion.

"We were amazed and disappointed," said the sergeant, "when hundreds of old men and boys, armed with hunting guns, blunderbusses and bill-hooks—many of them left over from the Turkish war—turned up.

"They begged to be allowed to fight for revenge, as Italian 'planes had bombed their village, killing seventeen.

The peasants with long-barrelled guns were wonderful. They ddn't waste a single shot.

"Shepherds used grenades instead of stones in their slings against the Alpini, while mule teams were bringing up mountain guns.

"When the Bersaglieri tried to scale the sides of the ravine, we used bayonets, and the peasants used their knives."

### Scared By Pigs!

How a herd of wild pigs frightened one group of Italians was told by a bearded Greek soldier in the next bed, whose eyes twinkled beneath his bandaged head.

"Our company," he said, "didn't have a chance of a straight fight. We were outnumbered. We sniped during the day, and at night heard firing in the valley. We thought our troops were counter-attacking.

"The next morning we found the Italians had left two machine-guns and rifles, and their only victims were eleven wild pigs, part of a herd which, frightened by gunfire, had run into the Italians and caused panic."

All the wounded Greeks spoke of the Italian Bersaglieri and Alpini as tough fighters, but said the Blackshirt battalions liked sacking villages, and were poor fighters.

Greek women have asked permission from their King to form a regiment of Amazons, says Ankara radio. The peasant women of the mountains are used to handling rifles, and accustomed to great physical exertion.

## PRAYED, SAVED 700 IN TITANIC

Captain Sir Arthur Rostron, one of the world's most famous transatlantic liner captains, the man who saved more than 700 people from the Titanic, has died.

He told the story years after.

"I am a great believer in prayer," he said. 'Always, every night I have said my prayers, and I have never asked for anything without having it granted in some way.

"That night in mid-Atlantic I knelt beside my bunk in my cabin and prayed that something would happen that would bring lasting honour on my ship, my firm and my wife.

"I had been in bed about an hour when my chief officer burst open the door of my cabin and rushed in.

He bore the first message for aid sent out from the Titanic.

"I thought that my little ship, the Carpathia, would proudly tow the giant liner into Quebec.

"I 'knew' the Titanic could not sink. Every sailor 'knew' it. Yet, as I stood on the bridge, I felt myself urged by some power to make preparations.

"Those preparations were made against my will, and yet something told me I must make them.

"So I ordered all my executive officers to make ready. Stewards got bunks and blankets prepared. Boats were swung out, alert for the tragedy that couldn't happen.

"We steamed on, and then, when the first boats and rafts came into sight, I knew that some great power had guided my action.

(The Titanic sank in the Atlantic at 2.20 a.m. on April 15, 1912; 673 of the crew and 825 passengers were lost.)

## PRESSURE ON RIVER JUBA LINE

Increasing British pressure on the lines of the River Juba, in Somaliland, was announced in a communique issued in Nairobi last night.

The communique says enemy counter-attacks were repulsed, with 40 enemy dead, including 10 Italian officers.

Despite long distances over bad roads transport drivers are successfully maintaining schedules and bring forward the necessary water, ammunition and ration supplies.—Reuter.

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# Tokyo Protests To Be Totally Disregarded

**A LETTER FROM Admiral Stark, Chief of Naval Operations, suggesting that any Japanese protest at United States naval defence measures should be "totally disregarded," was read by Mr. Carl Vinson, Chairman of the Naval Committee of the House of Representatives, yesterday.**

The Committee was beginning the debate on the $244,000,000 naval base development programme.

Admiral Stark pointed out in he letter that the House last year defeated a similar project for defence work at the island of Guam "because Japan might take offence."

He continued: "It is inconceivable to me that Japan could or would take offence at any such inoffensive measures."

If she did, then the protest would be "unwarranted and should, in my opinion, be totally disregarded."

### American Property

Admiral Stark emphasised that Guam was American property, saying: "Our actions should be determined by what is best for the United States and not dictated by any foreign power."

The House will almost certainly approve proposed expenditure of $4,700,000 for bomb shelters to make Guam harbour usable by seacraft and aircraft and to develop Guam as a naval aviation outpost.

Expenditure of $8,100,000 for similar purposes at Tutuila Island, in Samoa, will also be approved, it is expected.

### On Tiptoes

Mr. Vinson also read a letter from Col. Frank Knox, Secretary of Navy, emphasising that the Guam project is "of particular importance to the Navy."

Mr. Vinson prefaced his remarks by stating that the country could rest assured that "all hands in the Navy are on tiptoes ready for any emergency they may be called to meet."

The Committee tentatively approved the section of the naval base development programme authorising expenditure of an additional $66,050,000 for the development of the Atlantic bases acquired from Britain.

This is considered as the first step towards congressional ratification of the "destroyers for bases" deals.

### Measure Passed

Later.

The House of Representatives has passed a measure authorising the expenditure of US$244,000,000 on the development of naval bases, states Reuter's Washington correspondent.

The measure now goes to the Senate.

The bases to be developed under the Bill include Guam and Samoa and the Atlantic sites acquired from Great Britain. —Reuter.

## GIFT BY NATIVES OF TANGANYIKA

Natives of the Tanganyika areas of Waikizi and Ngrumbi are determined to play their part along with other citizens of the Empire in helping London men and women rendered homeless through the blitz.

They have donated, respectively, 90 and 125 head of cattle, their most cherished possession, to relieve the distress of air raid homeless.—Reuter.

## MALAXA WORKS SEIZED

The important Rumanian Malaxa railway and armament works have been completely taken over by the State under a decree issued yesterday.

The decree provides that the remaining 50 per cent. of the shares become State property, the other half having been taken over on January 28.

*M. MALAXA, THE ARMAMENTS KING AND HEAD OF THE FIRM, WAS PLACED UNDER HOUSE ARREST BY GENERAL ANTONESCU LAST YEAR BUT HIS PRESENT WHEREABOUTS ARE UNKNOWN.*

M. Malaxa is regarded as General Antonescu's chief opponent.—Reuter.

## WANG CHING-WEI'S BROTHER PASSES

(SPECIAL TO "CHINA MAIL")

Wang Im-ping, secretary of the Canton Government and brother of Wang Ching-wei, died in Canton on February 9, according to the local press yesterday. The cremation will be held on Saturday.—Reuter Special.

## CONVOY ATTACK QUERY

Recent German claims to have inflicted heavy losses on a British convoy were dealt with in the House of Commons yesterday arising from a member's invitation to make a statement on the reported loss of 13 vessels and whether those vessels were under protection.

Mr. A. V. Alexander, First Lord of the Admiralty, replied it was not possible to answer such a question without assisting the enemy, and in the meantime the questioner should not assume that reports broadcast by the enemy are correct.

Mr. Emanuel Shinwell (Lab) asked whether it was not the case that a full report had appeared in the American press and the statement had also appeared that this very important convoy had no protection whatever.

Are these facts not well enough known to the enemy? he asked.

Mr. Alexander replied: "Mr. Shinwell is in error in assuming that the enemy's statement was correct.

"It is a statement I do not accept any more than I accepted the report in the case of a previous convoy in the Atlantic, where enemy claims were grossly exaggerated."—Reuter.

## DEATH OF SIR JOHN THOM

Lt.-Col. Sir John Thom, Chief Justice of the Allahabad High Court, died yesterday, says Reuter.

## INDO-CHINA GETS AIRMEN FROM FRANCE

Airmen from the French Air Force, who arrived in Saigon on February 8 from France, have been assigned to several Indo-China bases in Saigon and strategic points in Cambodia and Laos, says a Japanese report from Hanoi.—Reuter.

## REBUILD LONDON AS DREAM CITY

Viscount Esther has appealed to Lord Reith, Minister of Works, to rebuild London as a dream city.

Viscount Esther, who was speaking in the House of Lords, said it was absurd to pretend that the blitzkrieg had done or ever would do the damage done by the Great Fire.

But even if they granted the truth of that, it must be remembered that Lord Reith had upon his side an incentive to drastic reform which was unknown to the seventeenth century, and that was the condition of the evacuated people.

"He will have every conceivable support in destroying the slums which escaped the attention of the enemy," Lord Esther said, "and we look to the noble lord to rebuild our city nearly to the heart's desire."

Viscount Samuel stated that unless during the war we prepare for a situation which would almost certainly arise at the end of the war, there would be throughout the country a spirit of impatience and frustration which might soon develop into anger.

"It would be a great danger if there was a feeling in the nation that the rights of private property were being allowed to obstruct proper planning.

Lord Reith, explaining the work of his new Ministry, said his text would be: "No longer tolerate the intolerable."

He has been charged to consult with others concerned and report to the Cabinet appropriate methods and machinery for dealing with difficulties involved.

He would do that as quickly as he could, and was proud and thankful he had been so charged.

He had not been told to plan the reconstruction of the country or of any part of it still less to rebuild it.

## NO-COLDS MASK FOR SHELTERER

Adoption of a simple face mask to prevent infection from coughing and sneezing in public air raid shelters is among the health plans being considered by the Government.

It was one of the recommendations of Lord Horder's committee, according to a White Paper. Mr. Malcolm MacDonald, Minister of Health, has already stated that the Government had adopted the Horder suggestions.

Tests are being carried out. A considerable quantity of such masks are available.

The report says:—

"To reduce the strain on shelter accommodation people who add to the difficulty of supervision, increase the risk to health and are a serious encumbrance in the presence of an incident should as far as possible, be evacuated.

"These classes include the aged, the infirm, and the bedridden."

The committee recommended that the Government's present schemes of evacuation should be vigorously pursued and extended to include children under five.

### Pooling Resources

Lord Horder also recommended.

The utmost degree of dispersal so as to deal with the crux of the problem—overcrowding. Domestic and communal shelters should be popularised."

A re-survey should be made in all boroughs to find further shelter accommodation — basements and railway arches, for example — likely to appeal to the people.

The possibility of pooling the resources of adjacent boroughs should be examined.

The shelters of factories and commercial buildings not in use at night should be requisitioned by the local authority for public use.

Mr. Charles Latham was asked at a meeting of the London County Council whether the council would ask the Government to exclude men between the ages of seventeen and forty from Tube shelters to mitigate overcrowding at stations at night.

He told Captain E. W. H. Wood: "I am not sure that I wholly agree with the suggestion.

## NO PROGRESS IN ANGLO-SOVIET NEGOTIATIONS

**NO FURTHER PROGRESS in the Anglo-Soviet negotiations could be reported by the Government spokesman when questioned in the House of Commons yesterday.**

Mr. R. A. Butler, Under-Secretary for Foreign Affairs, said that since his last answer some weeks ago matters had not been carried further by the Soviet Government.

Mr. Frederick Cocks (Lab.) argued that as there was so little difference between de jure and de facto recognition of the position in the former Baltic States, such a small thing should not be allowed to interfere with the establishment of better relations between Britain and Russia.

Mr. Butler: "There are not only small but certain large issues involved in this question and I cannot take it further at present."

Mr. Butler did not reply to a supplementary question which implied, firstly, that Russia is terrified of Germany, and secondly, that the British Ambassador in Moscow should be brought back to report to a secret session of the Commons.—Reuter.

## DEATH OF MRS. LESTER LITTLE

(SPECIAL TO "CHINA MAIL")

Alice Joy, wife of Mr. Lester K. Little, Commissioner of Customs in Canton, and well-known throughout China, died on Tuesday after a short illness.

Mrs. Little was very popular especially at Lingnam University, where she was a member of the faculty prior to marrying less than a year ago.—Reuter Special.


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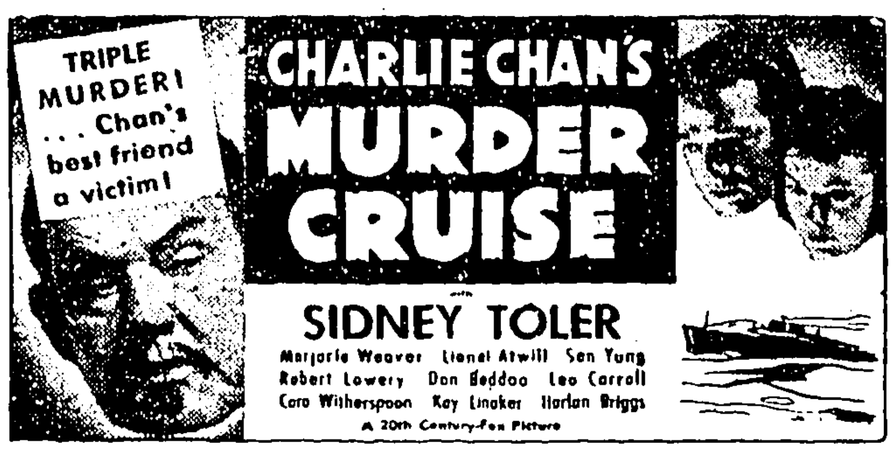


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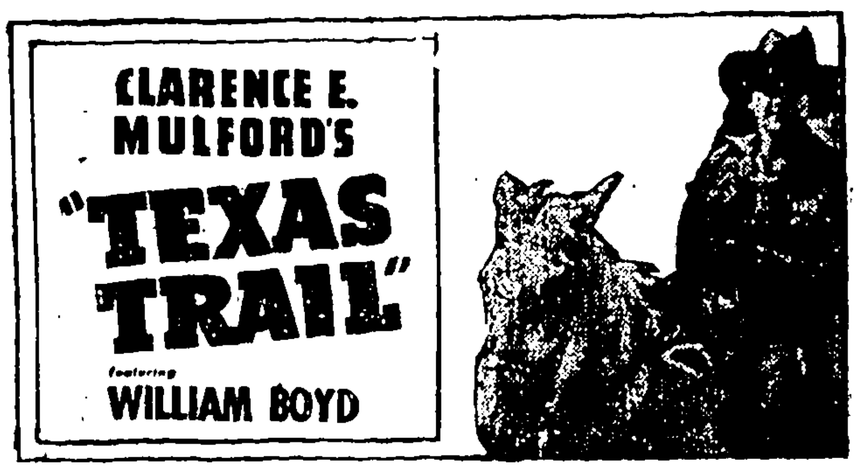


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TO-MORROW M-G-M Picture : Edward G. Robinson, Ruth Hussey in "BLACK MAIL"

# BRITISH PARACHUTE TROOPS GIVE DISPLAY FOR HIGH COMMAND

**MANY GENERALS and R.A.F. officers and their staffs, including General Sir John Dill, Chief of the Imperial General Staff, General Sir Alan Brooke, Commander-in-Chief of the Home Forces, Air Marshal Sir Arthur Barratt, Air Officer Commander-in-Chief, Army Cooperation Command of the R.A.F., and General Viscount Gort, were present at parachutive exercises on the moorlands yesterday, states the Air Ministry news service.**

Over a bleak stretch of moorland an R.A.F. troop carrier emerged from the clouds and suddenly the officers saw parachutists dropped from it one after another.

Before the 'plane had disappeared into the cloud again all the men had landed, unharnessed their parachutes and silently prepared to attack a remote and vital enemy objective, which was a small imaginary factory, where it was known that a high personage and some of the most senior officers of the enemy High Command were to watch a private demonstration of a new weapon being made there.

While this gathering of Britain's leading Army and Air Force commanders was waiting on the moor an R.A.F. troop carrier unobtrusively came through the clouds in bad weather, demonstrating the surprise nature of the attack.

In accordance with a prearranged plan, the troops, weapons ready for action, rushed to the factory which, though isolated, was guarded by sentries and employed about 50 civilian workers.

### Most Impressive

It was assumed, for the purpose of the exercise, that the greatest care had been taken by the enemy to preserve the secrecy of the rendezvous, and it was the duty of the parachutists to surround the objective until the arrival of more to act as demolition parties in the destruction of the factory machinery and military personnel.

The exercise was most impressive and showed the potentialities of this method of attack. It also proved the efficiency of cooperation between the R.A.F. and the Army.—Reuter.

## THOUGHT SHE COULD NOT SWALLOW, STARVED TO DEATH

A woman of seventy-four became obsessed with the idea that something was wrong with her throat, and that she could not swallow.

She ate so little that she died.

At an inquest at St. Pancras, London, medical evidence showed that there was nothing wrong with the woman, Nellie Taylor, of Belmont Street, Camden Town, London, N.W., and the verdict was Dealth from self-neglect.

## A HAPPY FAMILY SLEPT . . .

(By A SPECIAL CORRESPONDENT)

**THE BLAKES WENT to bed happy. They'd had a family party to celebrate the end of a tiff. One of the sons-in-law had doubted the safety of the basement shelter.**

He thought it would be better if the family went by charabanc to sleep in the country as they had been doing.

"Let's make it up over a bottle of port," said the mother-in-law. Twenty-two of the family—including six grandchildren—turned up and a good time was had by all.

Two of the happiest were two brides and their husbands who had been married together nine months ago.

The grown-ups drank a toast. Glasses clinked. "To a united family," they smiled—and went to their bunks.

Soon afterwards a bomb hit the basement and killed them all.

Only survivors of this tragic family are Jack Blake, his wife and child who weren't able to go to the party.

### Had No Petrol

The dead were: Mr. and Mrs. W. Blake, their five sons and their wives, their two daughters and their husbands, and their grandchildren.

Only during the last few days had they been using the shelter.

Previously a son-in-law—one of those who lost his wife — Mr. William George Edwards, twenty-six, had driven the family into the country at night in a charabanc.

For weeks he had felt that the basement, although reinforced with steel girders, was not sufficient protection.

Mr. Blake, after his son-in-law had found it impossible to get petrol for the charabanc, decided to use the shelter again.

Mr. Edwards strongly disagreed with his father-in-law and they had words — until the party was arranged.

### They Died As One

Mr. and Mrs. Blake were there and their son Sam, Bessie his wife and two girls aged about nine and four. Lew Blake and his wife Micky and their two little girls, Mr. and Mrs. Blake's daughter Diana, her husband and their two little girls, Bill Blake and his wife, the daughter Nellie and her husband and the son Pat and his wife.

The ages of the children ranged from four to nine years. Pat Blake and his sister Nellie had been married only nine months.

When the bomb fell Mrs. Edwards, mother of the Blakes' son-in-law, hurried around.

She heard her son faintly crying out, "We are over here. Get us out." Then the voices became muffled.

Sitting in her home nearby, Mrs. Edwards told me: "They all died as one, and I am glad they had settled their differences."

## GAVE HER CAKE TO LONELY SOLDIER

It was the silver wedding of Mr and Mrs. Alec Townsend, of the Greyhound Inn, Brighton, but their iced cake was eaten instead by half a dozen lonely R.A.S.C. drivers in a billet miles from home.

Mrs. Townsend had treasured the icing sugar she had saved for her cake.

Then she heard of a lonely soldier with nobody to make him a cake for his twenty-fourth birthday, which he had planned to celebrate in his billet with Army pals.

Mrs. Townsend brought out the icing sugar, made the birthday cake and packed a 15lb. parcel for the party.

"I just saved a little of the icing sugar for a cake to celebrate when my own son Terry gets his first leave," Mrs. Townsend said.

## 20 LONDON FIREMEN ARE CITY'S GUESTS

At the suggestion of the Norwich Chief Constable, Mr. J. H. Dain, twenty London firemen are due to arrive in that city for a week's holiday. A similar number of Norwich firemen have volunteered to take their places.

The London men are to stay for the week at a hotel as the guests of Mr. H. P. Gowen.

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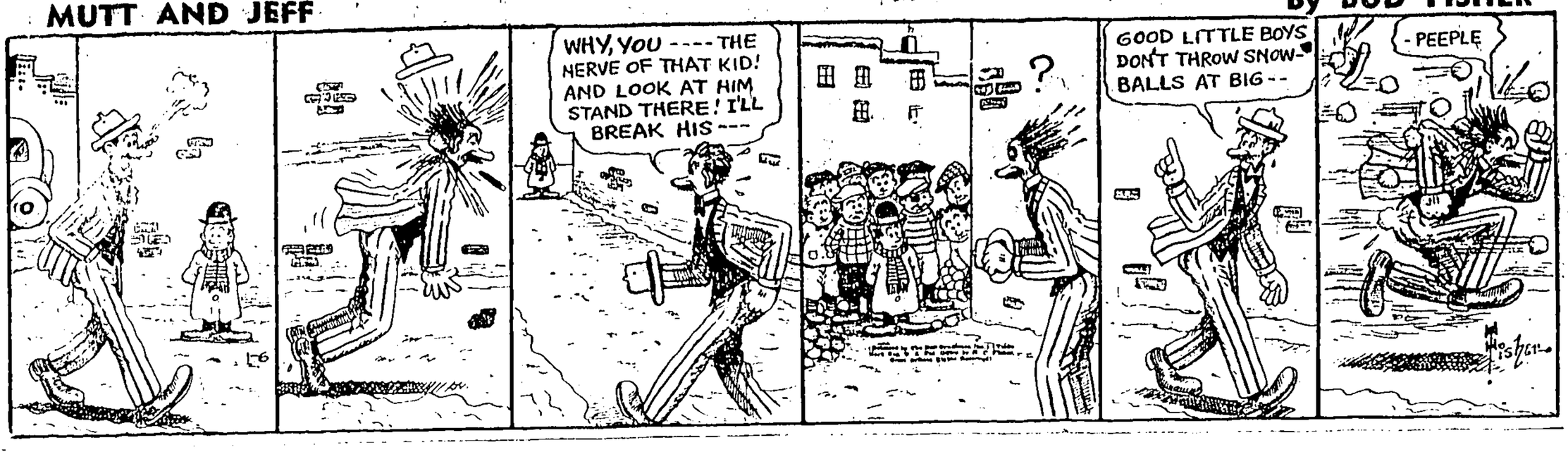
TO-MORROW: "DEVIL DOLL" MGM Picture

**MUTT AND JEFF** By BUD FISHER




# NAZI ANNOUNCER GETS WHAT HE ASKED FOR

**A NAZI BROADCAST invitation to Americans to send "receiver to pay" telegrams to Berlin, stating the kind of programmes they would like from Germany, has had an amusing sequel.**

Thousands of people swamped telegraph offices where extra staffs were needed. Messages to Berlin were sarcastic, and sometimes downright anti-Nazi.

The staff of one New York firm spent $50 of Germany's money asking for broadcasts on Hitler, Goering and Goebbels singing "Say it isn't so" and cat and dog meat quotations from the Berlin Bourse.

**Others asked for bomb by bomb descriptions of R.A.F. raids on Berchtesgaden.**

Berlin radio, in its latest broadcast, asked for the messages to be continued, states the Columbia Radio Company.

THE ANNOUNCER REQUESTED THAT NO CRITICISM SHOULD BE SPARED BUT "IF YOU HAVE ANY PRAISE TO OFFER WE SHOULD BE ONLY TOO GLAD TO RECEIVE IT."—REUTER.

## SEEKING A.R.P. DUTY PLEDGE

Part time civil defence volunteers may shortly be asked to put in extra hours at their posts. There will not, for the present, be any suggestion of compulsion.

Mr. Herbert Morrison, the Home Secretary, is now reviewing the strength of the services to secure that it may accord with needs, and he hopes to equalise the burden on them by means of an undertaking from all to work a minimum number of hours when asked.

These statements are made in a written Parliamentary reply which turns down a proposal by Mr. Mabane, M.P., for compulsory A.R.P. service for all men.

An official of the Ministry said Mr. Mabane was alluding only to people in the Civil Defence Services.

## "USING HITLER METHODS"

Protests are being made by the municipal and railway workers of York that authorities are using "Gestapo methods" in dealing with people who express certain opinions.

The municipal workers complain of a City Council resolution concerning conscientious objectors employed by the Council which, they say, renders them liable to dismissal if they express pacifist views.

**The railwaymen allege that as a result of a secret police report, a railway worker and his two sons have been refused permission to join the York L.N.E.R. Company of the Home Guard.**

The York Free Church Council and the Society of Friends have protested to the Council against the resolution on objectors, and Alderman W. Dobbie, M.P. for Rotherham, is to raise the matter in the House of Commons.

**So far only two members of York Corporation staff have been dismissed because of their pacifist views. Both are conscientious objectors who have been before a Tribunal and have been granted exemption from military service.**

**One has taken out a summons against the Corporation for wrongful dismissal.**

### Question in Commons

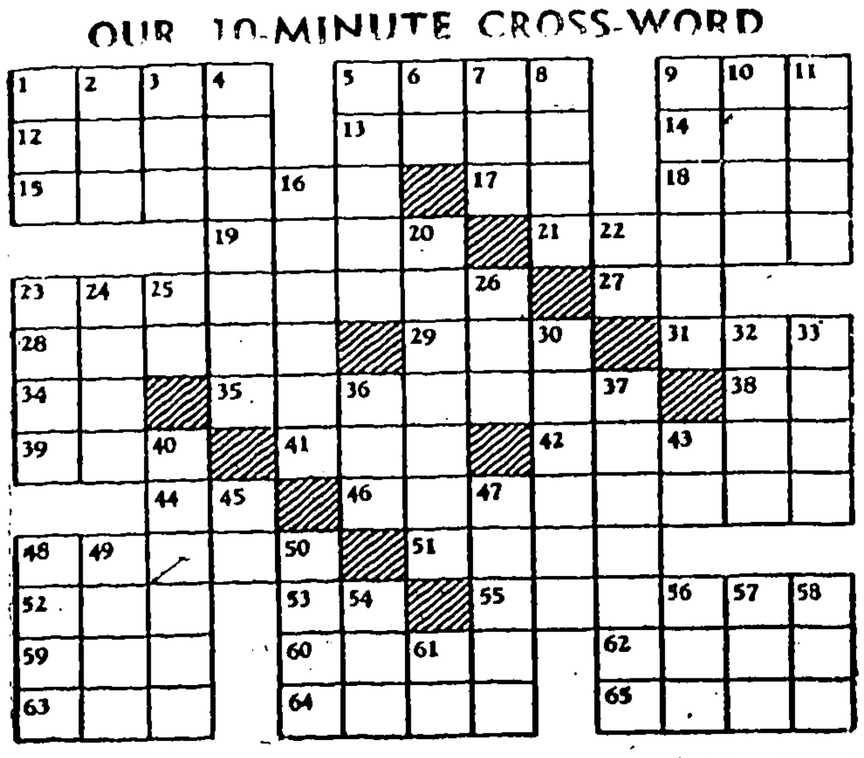
Alderman Dobbie, who is a former Lord Mayor of York, is supporting both protests.

**He intends asking the Home Secretary if he will order the police to submit a copy of their report on the three railway workers to the men concerned, or to the secretary of their branch of the National Union of Railwaymen.**

"The railwayman who has been refused permission to join the Home Guard is a personal friend of mine," Mr. Dobbie told a reporter. "He has never been a member of any organisation except the Labour Party and his trade union. His views are no more pronounced than mine.

"Neither the man nor myself has been able to get any information about the report. No wonder people are talking about the Gestapo being at work in York."

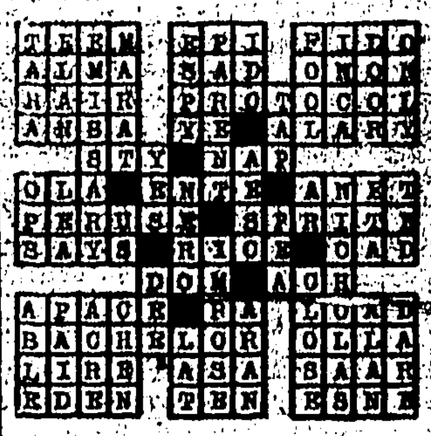
## OUR 10-MINUTE CROSS-WORD



HORIZONTAL
1 Barren
5 The orient
9 To imitate
12 To rant
13 Solo
14 Music: three
15 Abysses
17 Note of scale
18 Possesses
19 Equal
21 Faithful
23 To place in comparison with
27 Upon
28 Purpose
29 Prevarications
31 To request
34 See!
35 Legendary founder of Rome
38 Periodic windstorm
39 Conclusion
41 Humorist
42 Damp
44 Babylonian deity
46 Long gaiters
48 Capital of Bulgaria
51 Tiresome
52 Pronoun
53 Sun god
55 Naval officer
59 Man's name
60 Southwestern Indian
62 Cloak
63 Tunisian ruler
64 To crowd together
65 To clean

VERTICAL
1 Bow
2 Cheer
3 Yellow bugle
4 To lose hope
5 Painter's stand
6 Land measure
7 Title of respect
8 Chinese money
9 Daughter of Zeus
10 Wampum
11 Gaelic
16 Jolly
20 Disproved
22 Butterfly
23 Wan
24 English river
25 Sun god
26 Gypsy pocketbook
30 To commit robbery
32 Tune
33 Solutions
36 Wire measure
37 Seamen
40 To bear the expense of
43 Preposition
45 Sloth
47 Joshed
48 Food-fish
49 Bacteriologist's wire
50 Roguish
54 Part of "to be"
56 To clip
57 Sleeveless garment
58 Pen-point
61 Teutonic deity

YESTERDAY'S SOLUTION



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# Knox's Statement On War Aid

**FOLLOWING IS the full text of the statement by the Secretary of the Navy, Colonel Frank Knox on the Lease and Lend Bill before the House Foreign Affairs Committee.**

I presume I am called before you because I am charged with the responsibility, as Secretary of the Navy, of preparing our first line of defence – the Navy – against whatever dangers the future may hold.

It is almost impossible to exaggerate the importance of sea power to our country and to our entire western world. It has been because of the existence of sea power, exercised by two nations, Great Britain and ourselves, that both the Atlantic and the Pacific have served as barriers against acquisitive designs of aggressive powers.

If you will glace at the map you will readily observe that there are but three exits into the Atlantic in Europe, the channels of the North Sea (north of the British Isles), the English Channel itself, and the Straits of Gibraltar. Our entire western world has been safe from attack from Europe because the British fleet has always stood sentinel at these three exits into the ocean, and the British policy, for many years, has accepted, and assisted us in the maintenance of, the Monroe Doctrine. That has sufficed to make the Atlantic barrier secure.

The war in Europe must be looked upon as the latest of a long succession of attempts by dictators to establish rule over all Europe and, eventually, to establish dominion over a large portion of the world. Like all its predecessors, the Nazi regime has found that the power of its armies alone cannot establish that rule, because Europe is not self-supporting in raw materials, and the Nazi armies are powerless to obtain these materials unless they have control of the sea.

## Sea Power At Stake

Great Britain has never been powerful enough to support an army strong enough to conquer Europe and to hold it under control. That nation has been enabled to survive against conquest through control of the seas between those islands and the continent of Europe, and also to stifle the expanding military powers on the Continent by denying them access to the sources of raw materials.

The struggle now going on is, fundamentally, an attempt by Germany to seize control of the sea from Great Britain. That is the reason why, from a military viewpoint, the war has so vital an interest to the United States. Our nation has evolved without particular hindrance from Britain's control of a large part of the sea. But I believe it would be very different were control to pass to Germany, and were she able to send her armies into other parts of the world, and there lay tribute of raw materials for further building up her powers of oppression.

If Germany becomes free to move across the ocean for the conquest of new territories, she most probably will move first into South America, to get hold of that great storehouse of national wealth. If the United States does not wish to face the consequences of the establishment in South America of aggressive military power, we should now prevent Germany from overturning the British sea power which holds the Nazis in Europe.

## The Monroe Doctrine

For 118 years the Monroe Doctrine has been the one national policy firmly and continuously maintained by the American people. This doctrine, which forbids the extension in the Western Hemisphere of non-American military and political control, was enunciated for the purpose of preserving the territorial, economic and social integrity of the United States. Our statesmen clearly foresaw that we ourselves could be safe from aggression only by keeping safe the whole of the American hemisphere. The United States, under that policy, has progressed from weakness to strength. The other nations of this hemisphere have also been enabled to develop their own civilisations, free from the fear of sudden foreign conquest.

The United States proclaimed the Monroe Doctrine to keep the New World from being conquered by the Holy Alliance, which was the triple axis of 1823. We were successful in maintaining that doctrine only because of the support of Great Britain, whose overwhelming fleet could prevent overseas aggression from Europe.

Our nation thus could develop because of the fortunate circumstance of the great oceans to the east and the west. Military power has not been able to cross these oceans, nor ever will be, without the support of naval power superior to our own. British naval power has not threatened us for 125 years, and during that time no other European naval power could touch us, since they feared the British Fleet.

During the early period of our national existence there was no danger in the Pacific, and our merchants were as free as any one else to trade with Asia. No aggressive military dictatorship in the Far East then disturbed the peace of other nations. There was no threat in the Atlantic because the balance of power in Europe permitted no aggression against us. We did not need a great Navy nor a large Army.

Only during the last fifty years has it become necessary for us to develop a strong navy. The circumstances that rendered a strong navy essential to our safety were the construction of a German navy to back aggression toward distant lands; and Japan's expansion into the peaceful lands beyond her borders.

During the years before the World War we were threatened by German naval power, because that power was directed against the continued existence of Great Britain and its powerful navy. To meet German aggression, the United States built its Atlantic Fleet. We had only a weak Pacific Fleet, but we served notice of our interest in two oceans when President Theodore Roosevelt gave a practical demonstration of United States naval strength by sending the Atlantic Fleet around the world.

All doubtless remember that the World War gave Japan her chance for expansion throughout the islands of the Pacific, and remember that this was the occasion of her twenty-one demands upon China. We were able to check Japan's further aggressions by moving our entire fleet to the Pacific when the conclusion of the World War eliminated the German fleet in the Atlantic. Since that time we have maintained a one-ocean navy in the Pacific, and that navy has proved adequate in both directions only because the existence and the deployment of the British Navy gave us security in the Atlantic. In effect, both we and the British Commonwealth of Nations actually have had a two-ocean navy, operated for a single peaceful purpose.

## Two-Ocean Navy On Way

We still have a one-ocean navy. We are building a two-ocean navy, but its structure will not be completed for six years. We need to complete that structure as fast as we can because the other part of our present two-ocean navy is now in grave danger. The British Navy can survive only if the British Isles survive. Should the British Isles fall, we can only believe that the British Navy, which never runs from danger, will fall at the same time. I think we can safely assume that the British Navy will share the fate of the courageous nation that supports it.

Last year the Congress was solemnly warned by the chief of naval operations of the grave threat to the freedom of the United States and its sister American republics which would exist were Britain to suffer defeat. The naval forces now in the possession of the Axis powers, or which are under construction, would greatly outnumber our own. Our fleet would necessarily be divided, to meet danger in both oceans. Whether it would be strong enough to protect even the regions nearest to us is a matter that cannot now be foretold. Certainly we could not project our strength across two wide oceans. With the Navy retained at home, we could not do much to prevent Japan from extending its sway over all of eastern Asia, nor could we prevent the establishment of strong military base areas in southern Europe and in Africa to threaten our neighbours to the south.

## Hemisphere Defence

To keep our land secure we must prevent the establishment of strong aggressive military power in any part of the New World. We can keep non-American military power out of our hemisphere only through being able to control the seas that surround its shores. Once we lose the power to control even a part of those seas, inevitably the wars of Europe and Asia will be transferred to the Americas.

We need time to build ships and to train their crews. We need time to build up our outlying bases so that we can operate our fleets as a screen for our continent. We need time to train our armies, to accumulate war stores, to gear our industry for defence.

Only Great Britain and its fleet can give us that time. And they need our help to survive.

If we fully organise the mental and material resources of the American people, we can give Britain that help and simultaneously can build a strong military defence for ourselves. The cost to us in money, effort and sacrifice will be great — but that cost will be far greater, even in the immediate future, should we now stand aside and let Britain fall.

We are a strong nation, though our military strength is still largely potential. I believe that the American people have what it takes in character, courage and wisdom to guard this country and to guard this hemisphere. But to keep from engaging in a desperate struggle in American territory, they need time to make ready their arms. They can get time to make ready and still can maintain their essential interests throughout the world, only so long as Britain and its fleet survive. With our unstinted help, I firmly believe that Britain cannot be defeated.

We will act in our own best national interests, therefore, if while increasing our naval power as fast as we can we provide the British Commonwealth with the means that will bring her through this tragic crisis.

# MR. BUTTERS LEAVING ON FURLOUGH

The Hon. Mr. H. R. Butters, Financial Secretary, will be leaving the Colony on furlough within the next few days.

His place is to be filled by Mr. R. R. Todd, Assistant Financial Secretary.

# READ NEWSPAPER IN CHURCH

Take your daily newspapers to church and read them there to hearten and encourage you because of the tales of heroism their pages unfold. That is the advice of the Rev. M. C. Stewart, vicar of Holy Trinity Church, Carlisle.

Writing in his parish magazine, the vicar refers to people who grouse about long hours at work and of the interference with their daily life caused by A.R.P., Home Guard and other duties.

"May I suggest a remedy, or shall I say a tonic to kindle our spiritual fervour and intensity," says the vicar. "Take your daily newspaper to church.

"There, in the presence of God, see the appalling rottenness of men staring you in the face out of the pages of that paper. See man's barbarity in the pictures of destruction. Then see the word pictures of almost unbelievable courage which masses of people are showing.

CHINA MAIL
WINDSOR HOUSE

## SOVIET POLICY

Latest developments seem to clear up once and for all the question as to which side of the fence the Soviet Government is on at the present time.

The Soviet Union is helping Germany in the same way the United States is helping Great Britain. The cost for the Soviet Union, however, is far greater, for in the case of many products, particularly food, the Soviet Union has not had any real export surpluses for the last ten years, and any exports of grains will be made directly at the expense of the Soviet population, who will have less for themselves.

If the Soviet Union is helping Germany carry on the war, as seems to be the result of the new commercial treaty, it is strange that the United States, which has refused to send supplies to European nations for fear they might fall into German hands, should continue to send supplies of exactly those materials which the Soviet Union is sending to Germany. These strategic materials and machine tools build up the Russian supply so that the Soviet government is able to send more to Germany.

For those persons who still believe that the United States should adopt a policy of appeasement toward the Soviet Union, the latest agreement provides an interesting illustration as to how the Soviet government reacts to kindnesses. Thus far the United States government has sought in vain to have the Soviet government acknowledge its responsibility for the property of American citizens or companies which were lost through the seizure of Poland, the Baltic states and eastern Rumania. On the other hand, by the terms of the new Soviet-German agreement, the Soviet government agrees to take over all the debts of the three Baltic states in connection with the withdrawal of the German population.

## DRUMS IN ETHIOPIA

Bombs crash on Catania from Benghazi but for the Italians the most ominous sound in the Dark Continent may be the throb of the war drums across Ethiopia. They are heard now from Galla to the Harar Hills and even in the forts of Addis Ababa. Every night their rhythm fills the air. They herald the end of the rainy season, and the message they spell out for listening tribesmen is "Arise and fight!"

Just inside the Ethiopian border, Haile Selassie sits again on his throne, a wooden throne, to be sure, but hung with royal purple. So on the borders of his lost empire, he seems a sterner figure than the pathetic and unwelcome refugee flitting through English health resorts before the war. Once more, in the eyes of his people, he is the Lion of Judah, reviewing his troops and distributing English arms to his followers. The drums are his.

This time the Lion of Judah hunts with the British Lion. Cut off from their homeland, precariously settled in an unfriendly wilderness, Il Duce's colonists do not like these echoes in the night. They are reported to have asked refuge for their civilians in French Somaliland. Apparently, the storm is gathering over Ethiopia. Already lightning flickers in the sky.

# Dr. Benes On Democracy And Dictatorship

By T. A. RAMAN

(Noted journalist, at present in London as an observer.)

"A German invasion of Italy is a possibility and a distinctly practical possibility."

That is the view of Dr. Edouard Benes, expressed to me in an interview.

"I have been very agreeably surprised indeed by the news from Greece," said Dr. Benes "From the first I recognised that the invasion was a blunder on Mussolini's part, but I could not feel certain that it was as serious a mistake as it has proved to be.

"All Dictators are bound to take some such false step at some time or other; that is inevitable. Now it seems possible that Mussolini has made that fatal blunder which may be the undoing of his regime.

"We have always, however, to bear in mind the possibility of a German invasion of Italy. Hitler might be impelled to safeguard his position by swooping down on Italy when the Fascist regime is visibly tottering."

To my question as to how long he thought the war would last, Dr. Benes answered decisively: "The German collapse will come probably in the Spring of 1942. Allied war-effort will rise to its crescendo next summer and American support begin to tell decisively.

### "The Rot Will Set In"

"A combination of blockade and heavier air offensives through 1941 will steadily exhaust German resources and sap the morale which has been keyed up to such a pitch for so long. France and the other occupied countries will increasingly resist. The rot will definitely set in, and by the Spring of 1942, we may expect a collapse."

The world knows and honours Dr. Benes as an apostle of democracy, and so I asked him whether he would care now to restate his faith in Government by the people.

"Yes" he replied emphatically. *"More than ever before I am convinced of the necessity of Democracy for all progress, and certain of its final victory. This war more than others has proved that democracy is the key to all the precious values of life.*

It was for this reason too that the assault of Nazism was directed first against the democratic idea because it would be only across the body of democracy that Hitler could pass to secure his ultimate objects.

"It is indeed true that democracy has not yet reached its fullest stature. The economic crises of recent years revealed that its capacity to resolve economic problems was inadequate. The political crisis which culminated in the war demonstrated how difficult it is to resolve the problems of authority and leadership in democracies.

"Hitler's propaganda was able to exploit these shortcomings. It is beyond doubt that after the war, these deficiencies must be corrected.

*"But, on the whole, I believe with Masaryk that the best cure for the ills of democracy is 'more democracy and truer democracy.'"*

I suggested that France failed politically before she was beaten militarily.

"The collapse of France," Dr. Benes replied, "is still too recent for general conclusions. Democracy as such was not, in my opinion, to blame for it, but rather certain typical deficiencies of the system as it was conceived by the French — in particular its inability to organise itself in a crisis and to submit to voluntary discipline.

*"We see how from the example of Britain that this need not be the case in every democracy."*

I asked Dr. Benes whether he would care to comment on Axis propaganda concerning a "New Order."

"Not much comment is needed," he replied "on what is nothing more than a stunt intended to mask Germany's real aims. If Hitler had his way, he would create an order based on the slavish subordination of Europe to the interests of a German ruling caste.

"No European or world order could be founded on the enslavement of some and domination by others. An organised Europe can be based only on the democratic equality of lands and peoples and which is equally important — the democratic equality of people within each national whole."

"For these reasons, I say that the purely military defeat of Hitler and Mussolini will not suffice for complete victory in this war. "In Germany and Italy must be created the conditions which would effectively prevent that rulership by personalities, parties or castes on which the power of dictators is built. And the German and Italian people must be made to realise that they have been defeated by moral as well as military superiority.

### Czech Resistance

Speaking about the position in Czechoslovakia, to-day, and her contribution to the common cause, the President said that he had not the slightest doubt that the Czechoslovak people would hold out to the end in their resistance to German oppression despite all the tortures they suffer.

"Our reports from home," he said, "confirm our faith. I am more than satisfied with the moral endurance of our people in their

*"Czechoslovak resistance at home is one vital contribution which Czechoslovakia makes to the struggle. It is worth no less than four million Germans, soldiers, policemen and officials who would otherwise have taken part in the war on other fronts.*

"Passive resistance is going on all the time against German war industry and against work of every character which helps Germany's military ends.

Frequent executions for acts of passive resistance prove how acutely the Germans feel our indirect aid to the Allies. As to direct support, we have a small but good army which, after the collapse of France, transferred its activity to Great Britain and the Middle East.

"Our airmen have taken part very successfully in the war first in France and since in Great Britain. The status of our army was determined by the recent agreement between Britain and the Czechoslovakian Provisional Government which guarantees independence to our army within the framework of the Allied organisation."

**Going in for Southern Cooking—By Hungerford**

# The Spirit Of England

By John Gordon

When you hear over your radio, or read in your newspapers, that during the night while you slept peacefully and comfortably in your bed, the German Air Force concentrated on one English City, do you ever picture in your mind just what an air attack like that means to men, women and children.

If you do, you think perhaps in terms of noise and terror, of bomb craters and tumbling buildings, of fires, explosions and sometimes floods. But let me give a picture of what it means in human suffering.

A few nights ago I stood by the ruins of a row of little suburban houses close to green fields and far away from any possible military objective. A few minutes earlier in one of these houses a little girl of twelve had been sleeping peacefully. An unknown man, miles high in the sky, lightheartedly dropped a stick of bombs. When I saw the little girl five minutes later, her parents were dead, her home was gone, and she was blind. She will probably be blind for ever.

Not very far away, some nights earlier, from the ruins of a home that was no more a military objective than the blinded girl's home, I saw twin girls of six years of age, the only children of their parents, dug out dead, clasped together from the wreckage of their home after being buried for five hours. I shall never forget the look of terror on their faces.

There is another home in that same area in which an elderly woman was sitting by the fireside one evening talking to her equally elderly servant. Without warning a bomb fell from the dark sky. It blew the fire into the old lady's lap and she is so severely burned that even if she lives, what is left of her life will be a misery. Her elderly servant has not yet been found.

I lifted a 60 year old woman in my motor car recently who told me that twice in a fortnight she had been dug out of the ruins of her home. Yet she was still cheerful.

Now incidents like that which are a nightly occurrence in England, are having a great effect upon the character of English people. We know these bombs are scattered over our towns with the intention of breaking our spirit. They might well have done so. In actual fact they have had entirely the opposite effect. People who might well have been persuaded into peace would certainly not consider peace now on any terms except their own. There has been no such hardness in England since we made our Empire. These ordinary men and women of the country have proved in adversity that they are still as great as their ancestors. They believe that they have suffered what would have broken any other nation on earth. Perhaps they have.

What they feel about the war may be gauged not alone by the endurance they have shown against sufferings inflicted on them by the enemy, but also by the sufferings they have inflicted voluntarily on themselves.

In spite of the fact that no people on earth are so heavily taxed—almost every man pays nearly half his income to the State in direct taxation alone—they are making of their own free will tremendous financial contributions.

In the first year of the war they have already subscribed to war loans the astounding total of four hundred and eighty million pounds, almost half as much as the whole national budget in a peace year.

And in addition, in their eagerness to be associated with the Royal Air Force, which to-day is the nation's proudest body, they have sent contributions of more than six million pounds to buy bombers and fighters.

These contributions are made because the people want to give of their utmost. They are voluntary taxation over and above the stiff taxation we must already pay. They show the spirit of England.

*"Excellent! It's White Horse— I could tell it blindfold."*

**No other whisky combines so rare a fragrance with such mellow smoothness; no other is quite so soft, so round, so genial. Perfect blending and slow maturing have made White Horse Whisky the equal of a fine liqueur.**

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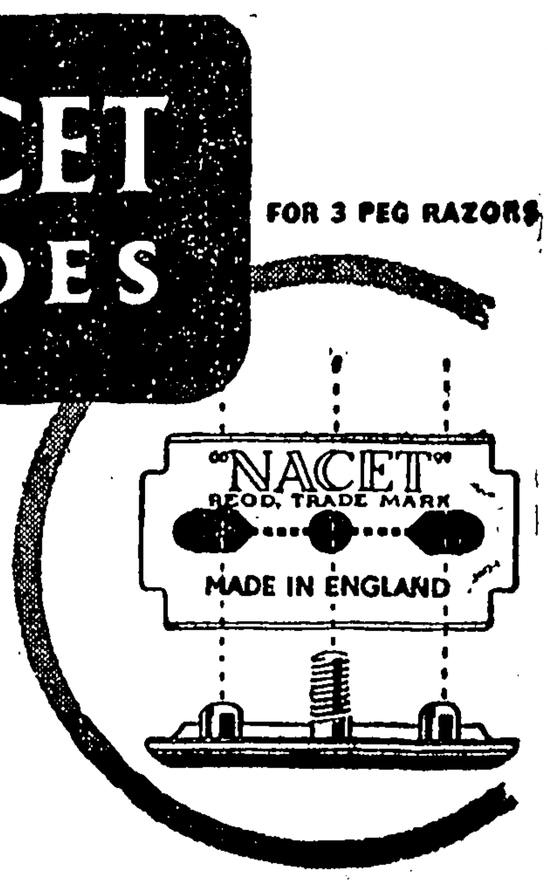


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| WINDSOR Mixture | $1.30 | — |
| COLONEL EAZY Mixture | $1.30 | $2.50 |
| Dr. PLUMB Mixture | — | $2.65 |

*Sole Agents:—*

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**"La Perla del Oriente"**

# NEW BRITISH FORCES SHOW THEIR PACES

(From A Special Correspondent)

**THE NEW BRITISH ARMY that has largely been created since Dunkirk has just carried out the most ambitious exercise in the field that has ever taken place in Britain. Certainly nothing like it has ever been seen before in war-time conditions.**

A force of more than 40,000 men were engaged in the scheme with the object of studying the handling of a corps in the attack supported by an armoured division and squadrons of Army cooperation aircraft in the guise of dive-bombers. What I saw — would that the whole story could be told — gave vital meaning to current references to the future offensive of a new and enlightened B.E.F.

The importance of the occasion was emphasised by the presence of the Commander-in-Chief, General Sir Alan Brooke, who for two days watched various phases of the manoeuvres, accompanied by a large party of high staff officers, among whom were the Army commander and Prince Olaf of Norway. Prince Olaf will testify to the efficiency of an advance party of shock troops, for they made off with his waiting motor-car and chauffeur at the point of a revolver. The exercise, carried out in rigorous conditions, completely satisfied the Corps commander, and its lessons will be studied at a conference of senior officers.

## Keynote

Swift-moving attack was the keynote of the whole scheme, a change from the defensive preparations of the summer that is the best assurance of the failure of any attempt at invasion the enemy may yet make. It was supposed that the Corps had disembarked and taken over a line in front of a German motorised division, which for the purposes of the exercise was represented very thinly on the ground. Speed in reaching objectives and the smooth working in the field of the thousand and one cogs in the military machine of to-day were of greater importance to the observers than the fighting of imaginary battles. A concentration of this size could not operate without the risk of real attack from the air, which added to the necessity for proper dispersion, and a further realistic test for vehicles and men was provided by the extremely heavy going in open country.

All night long columns of tanks and transport moved from miles afield into their assembly areas with no more than pin-pricks of light to guide them, and, having arrived, they still had to be dispersed in protective harbours. This aspect of the exercise in itself was a triumph of organisation. The attack was begun at dawn on a 40-mile front against a succession of objectives 60 miles away. The picture of "enemy" dispositions was drawn in great detail at the starting line by umpires. Broadly, the scheme was that an armoured division, supported by a squadron of close support aircraft, should race ahead on the right flank to occupy a river line, which would be taken over from them at night by a mobile division of infantry advancing on the left under cover of an Army tank brigade and such assistance from the air as could be allotted by Corps headquarters.

## The Vital Thread

The whole operation was gone through in all its intricate detail, from the packets of shock troops who went ahead to seize vital crossings to the supply convoys and services which moved up with an escort of heavy infantry tanks. It might have been France again in the wide sweep of the horizon and the woods and villages and the countryside, and the sky was full of aircraft in the guise of dive-bombers. But there was a far heavier weight of metal here now and a still greater volume of gunfire; the supple mobility acquired in a few months by the new British Army is a magnificent achievement. The most vital, and also the most slender, thread running through the scheme was the system of communications, which is provided to an increasing extent by radiotelephony.

**The snapping of these fragile links was one of the main causes of the French collapse, and, although every British unit now has its wireless system, there is happily no tendency to disregard other forms of communication. Small bullet-proof scout cars, which may be driven as fast backward as forward and are mainly used by reconnaissance units, are a logical advance to the armoured dispatch rider.**

One remarkable aspect of the exercise (and it seems to be a characteristic of modern warfare) was that so little was to be seen of the forces engaged. The cavalry of the armoured division swiftly advanced in two main bodies, each on a three-regiment front, and within a few hours had seized their objectives. Now and again one would come upon them dispersed in the woods or moving in line ahead along the roads. The great cruiser tanks, some of which smashed through the Germans at 50 m.p.h. on the Somme, and the helmets, headphones, and leather garments of their crews made a scene that might have come out of a Wellsian world. Tanks of a smaller type were also used—"Dutchmen" they call them because they were made for the Dutch Government—and reconnaissance was carried out in armoured cars. Behind this spearhead of steel moved the support group, composed entirely of Canadian units, with mobile infantry and field guns, and a Canadian squadron of Lysanders provided close support in the air.

## "Winkling A Village"

The British armoured division is completely self-contained and its make-up remarkably diverse. I spent a day with one of the motor battalions of infantry which operate with every armoured brigade, mainly concerned in clearing up nests of anti-tank guns and feeling for the soft spots in enemy positions. Bren carriers, scout cars, and fast trucks give them great mobility, but they fight on foot just as infantry. I saw one example of a carrier "jinking round a corner and winkling a village," as a major picturesquely described it.

But, as usual, the sheer slogging of the exercise fell upon the main body of the infantry who, although they moved up to the assembly area in their transport, then marched 40 miles across country in less than a day and a half. Evidently it is not for nothing that the motto of the division, mainly composed of county regiments, is "fighting fit and fit to fight," and their fine bearing was particularly gratifying to the Corps commander.

**With them were a motor-cycle reconnaissance battalion, fanning out in bounds ahead, and a machine-gun battalion, which nowadays, with its range-finders and directors, can be a sort of miniature artillery. The divisional artillery, of course, had its selected targets.**

Umpires, of whom several hundreds were employed in the scheme, checked the sights and bearings, and flashes were electrically discharged in the target area for the benefit of the aircraft engaged in "spotting." In the light of experience in Flanders a new method of air observation is being devised.

## A Lead Britain Lost

Naturally one of the main studies of the scheme was the use of aircraft in close support of a larger formation. As long ago as 1926 experiments were made in England with low-flying aircraft as a support for tanks, but that is a story of a lead that Britain lost. The important thing now was that new methods were being tested in advance of any used so disastrously by the Germans. The "enemy" had his own squadrons of mock dive-bombers, and at dawn on the last day I stood by with one of the attacking flights of Army cooperation Lysanders, and their "gay and grim" young pilots, one of whom I had last seen playing Rugby football for his school. At long last the telephone buzzed in the trailer that formed both the headquarters and the pilots' rest room, and the flight were given their target.

I was allowed the air-gunner's seat in one machine and, not without an anxious glance at the sky above, we made off on a swoop over the "enemy" positions, in which one certainly saw more tanks and troops in a few seconds than during the whole of the previous day.

Some columns of vehicles were dangerously crowded, but, given the necessity of avoiding agricultural land, a little congestion was inevitable. The aircraft made straight for their target, an "enemy" headquarters, with no loss of time, a far from easy matter on a map-reading at this low height, and soon were back at their airfield. Those few moments had given one an idea of what air cooperation really means.

# TURKS ARREST 5TH COLUMNISTS

The Turkish police have arrested, after very closest investigation into their activities, over 20 Turks, stated to be fifth columnists, and also a Turkish radio merchant, whose home was much frequented by Nazis suspected of being clever propagandists.

The merchant had a secret radio transmitting set, which is strictly forbidden by Turkish law.

According to changes recently introduced into military law the arrested men can be tried by courtmartial on charges of treason and espionage.

# FORMER H.K. SUB. THE NAVY'S ADVENTURE SHIP

**IN THE NAVY they call H.M. Submarine Truant "the adventure ship." Recently it was announced that she has just sunk two, and possibly three, Italian ships in the Mediterranean.**

Every time her name has been mentioned — and this has been often — it has been linked with some daring attack.

The Admiralty communique stated:

"H.M. Submarine Truant (Lt.-Cdr H. A. V. Haggard, R.N.) has been operating with great success against the Italian sea communications off the south of Italy.

"During the night of December 13-14 she attacked an escorting convoy of heavily laden supply ships off Cape Spartibento.

"One of the enemy supply ships was sunk and the second possibly sunk.

"During the night of December 15-16 H.M.S. Truant torpedoed and sank a large Italian tanker off the Calabrian coast. The tanker was deeply laden and steering south."

One of Truant's greatest feats was the sinking of the 6,000-tons German cruiser Karlsruhe during the Norwegian campaign last April.

### Cruiser Blown Up

Defying German minefields and destroyers, the submarine wormed her way through miles of mines into the Skagerrak on the track of the Nazi ships attacking Oslo.

The Blucher and the Karlsruhe, escorted by destroyers, were blazing away at the Oslo batteries when the Truant came up almost in the middle of the battle.

Through her periscope, the Truant's commander could see six ships in line. They were the Karlsruhe and five destroyers. Then the battleship scored a hit, damaging but not fatal, on the Karlsruhe.

**The Truant took her opportunity. A torpedo hit the Karlsruhe and she blew up and sank.**

The destroyers put down dozens of depth charges until they felt sure the submarine was destroyed.

And then the Truant, which had been "lying doggo," as one of her crew said, crept out of the minefield "with her plates almost falling apart."

### Prison Ship Caught

During this adventure the Truant was commanded by a young officer, Lieut-Commander C. H. Hutchinson. He was awarded the D.S.O.

Less than a month earlier the Truant had chased and sunk the German merchantman Edmund Hugo Stinnes IV. off the Danish coast.

On the way back the crew had their customary sixpenny sweepstake on the time the submarine would reach port.

**The captain of the Stinnes was given a free ticket, won the sweepstake, and went off to internment with 26s. of the submarine crew's money.**

Lieut.-Commander Haggard was in command when, last September, the Truant repeated the Altmark epic by rescuing the captain and crew of 23 of a British merchantman who had been 123 days in captivity in a German prison ship.

### Scuttled

The Truant sighted the German ship, a captured Norwegian steamer, off Cape Finisterre.

When ordered to stop, the ship was scuttled by the German crew.

The Truant took aboard the Norwegian captain and his wife and the Britons, all she could carry, and brought them to a British port.

The Truant is one of the Triton class, of 1,090 tons surface displacement. She was completed in 1939 and cost £350,000.

# DUTIES OF HOME GUARD

The official statements on the subject of the Home Guard do not appear to have stilled all anxieties lest a change in its functions should be contemplated. This is not the case. Apparently the phrase "to release Regular troops" has sometimes been misunderstood.

It meant simply that the Home Guard would be available to enable the Regular Army to maintain its organisation and to carry out its training with as little interruption as possible; not that the Home Guard was to take the place of the Regular Army. It may be accepted that in no circumstances will this country be denuded of Regular troops and placed in such a position as would compel it to rely entirely for defence upon the Home Guard.

A second and congruous anxiety has been about possible clashing between work and Home Guard duties. This has been particularly the case regarding agricultural workers. It has been laid down that Home Guard duties are not to interfere with normal work, and that the Home Guard will not be called out except in the event of invasion.

There has likewise been some questioning of the age limit of 65.

It is felt by the authorities that this is a necessary provision, to ensure that the force is fit to do its work. But if men are fit the point will not be rigorously pressed.

### Lord Gort's Task

One other point of importance is that of contact with the Army. Generally speaking it has been found that the Army has done its best for the Home Guard, and that its assistance has been valuable from the point of view of training. In certain districts, however, it is not easy to provide contacts with the Army.

It is largely for this reason that General Lord Gort has been appointed Inspector-General of the Home Guard. He is to give special attention to the districts in question, and it is hoped that his experience as a trainer of men will be of great service. The appointment is in no sense honorary or formal, but a "working job" for which he is well qualified.

**The announcement of the first commissions in the Home Guard is not likely to be made for some weeks yet. It has been decided that the first necessity is the appointment of suitable adjutants.**

It is stated in official circles that there is no intention whatever of straining either the organisation or the personnel of the Home Guard, and that any attempt on the part of enthusiastic commanders to do so will be checked.

One other apprehension which has sometimes been expressed has no foundation. While it is recognised that certain officers will have to be replaced, the value of local influence and esprit de corps is not forgotten. There is no intention of appointing strangers.

# SMUTS ABUSED BY NAZI RADIO

Somewhere in the Union of South Africa a secret mobile radio station is being used to attack and libel General Smuts, the Prime Minister, and the Government.

Broadcasts are given early in the morning and their tone has all the characteristics of a Haw-Haw oration from Berlin.

Recently the Government ordered all rifles in the Union to be handed in. The secret station's retort was: "Our Bren guns and rifles are safe," adding that a blow for freedom could not be struck at the moment because there were too many soldiers in the country.

The announcer also told listeners, "Don't expect to hear from me every morning. I have to jump around like a hare on the veldt with the Government always on my track."

The authorities are busy tracking down the radio fifth columnist. The veldt is a big expanse and the villages and farms are scattered, but the searchers have no doubt that the traitor will soon be caught.


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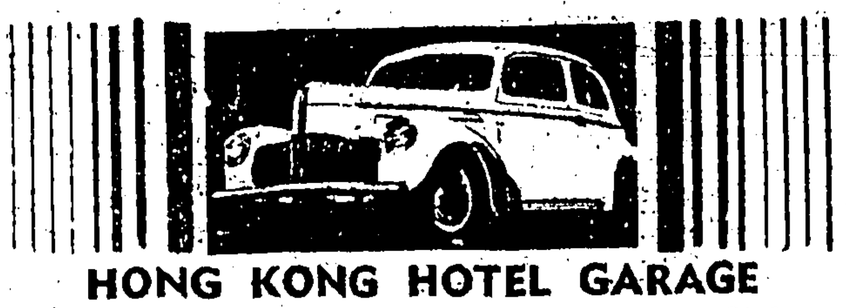

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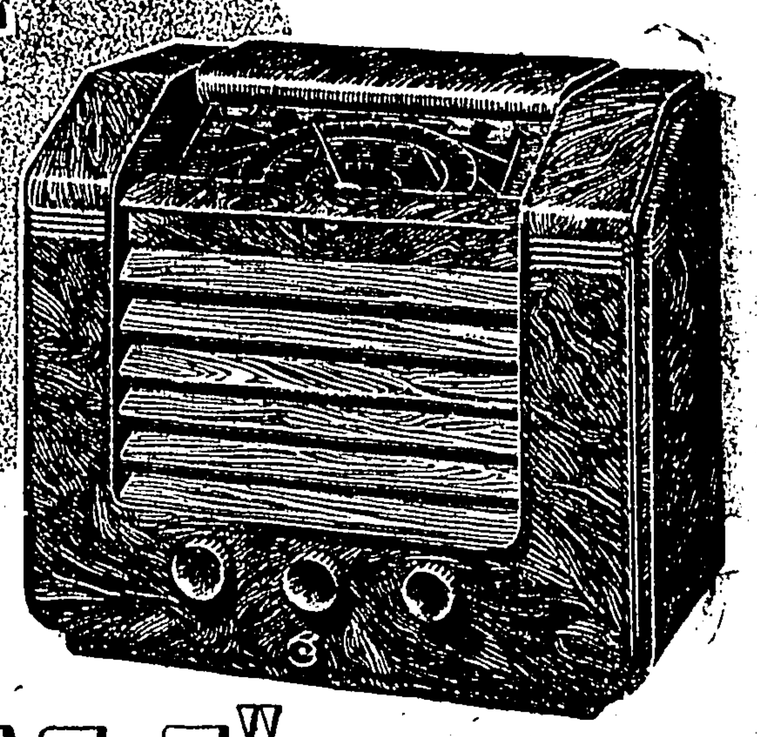

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The Radio People 31, Nathan Road, Kowloon

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# NEW ADVERTISEMENTS

## PUBLIC AUCTIONS

The Undersigned have received instructions to sell by Public Auction.

THURSDAY, 20th February, 1941, commencing at 10.30 a.m. at their Sales Room, No. 2, Connaught Road, Central, Second Floor.

A QUANTITY OF VALUABLE HOUSEHOLD FURNITURE

comprising:

Teak Sideboards, Dining Tables and Chairs, Single and Double Bedsteads with Box Springs, Chests of Drawers, Dressing Tables, Carpets, Rugs, Baby Cots, Electric Heater, Wall Clock, Pictures, Ornaments, Curios, Blackwood Pedestal and Tea Poys, etc.

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A Selection of Chinese Hand Paintings

and

2 Rod Testing Sets in wooden cases
1 Enamel Bath
1 Axminster Carpet — almost new
4 Radio Sets
1 Fur-lined Coat
1 Milners' Safe
1 Small Combination Safe
1 "Ensign" 16mm Projector
1 "Nizo" Cine Camera in Case
About 1000 feet New Film

On View from Wednesday, the 19th. February, 1941.

Catalogues will be issued.

Terms: Cash on Delivery.

LAMMERT BROS.,
Auctioneers.

Hong Kong, 15th February, 1941.

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The Undersigned have received instructions to sell by Public Auction on

FRIDAY, 21st February, 1941 commencing at 2.30 p.m. at their Sales Room, No. 35, Hankow Road, Kowloon.

A QUANTITY OF VALUABLE HOUSEHOLD FURNITURE

comprising:

Teakwood & Iron Bedsteads Wardrobes, Chests of Drawers, Dressing Tables, Sideboards, Dining Tables, Chairs, Office Furniture, Electric Table Lamps, Fans and Heaters, E.P., Brass, Porcelain and Glass Ware, Wardrobe & Cabin Trunks, Carpets & Rugs Cutlery, Curios, Ornaments, Pictures, Cooking Utensils, etc., etc.

also

A Few Pieces of Blackwood Furniture

and

1 Adding Machine.
1 "R.C.A." Radio-gram.
1 Tientsin Carpet.
1 Enamelled Bath.
1 Porcelain Sink.
1 Bathroom Scale.
1 Dining Room Suite.
2 Bed Room Suites.

On View from Thursday, the 20th. February, 1941.

Terms: Cash on Delivery.

LAMMERT BROS.,
Auctioneers.

Hong Kong, 18th Feb., 1941.

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The Undersigned have received instructions to sell by Public Auction on

TUESDAY, 25th February, 1941 commencing at 5.15 p.m. at their Sales Room, No. 2, Connaught Road, Central. (2nd Floor)

A VALUABLE COLLECTION OF POSTAGE STAMPS

(mostly China & British Colonies)

Terms: Cash on Delivery.

LAMMERT BROS.,
Auctioneers.

Hong Kong, 19th Feb., 1941.

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G R

## PUBLIC AUCTION

PARTICULARS AND CONDITIONS of the Sale by Public Auction to be held on Monday, the 24th day of February, 1941, at 3 p.m., at the Offices of the Public Works Department, by Order of His Excellency the Governor of one Lot of Crown Land at Tai Kok Tsui, in the Colony of Hong Kong for a term of 75 years, with the option of renewal at a Crown Rent to be fixed by the Surveyor of His Majesty the King, for one further term of 75 years.

Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant) will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, ($200) in cash. This sum will be refunded on payment of the Purchase price.

PARTICULARS OF THE LOT.

| No. of Sale | Registry No. | Locality | Boundary Measurements N. ft. | S. ft. | E. ft. | W. ft. | Contents in sq. ft. | Annual Rent. | Upset Price |
|---|---|---|---|---|---|---|---|---|---|
| 1 | Kowloon Inland Lot No 4292 | Tai Kok Tsui. | As per sale plan | | | | About 5,000 | $92 | $10,000 |

The purchaser of the lot will be required to pay to the Auctioneer in cash the sum of $1000 (being 10% of the upset price) immediately after the fall of the hammer, the balance of the premium being paid in accordance with the Conditions of Sale.

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## THE BANK OF EAST ASIA, LIMITED

NOTICE is hereby given that the TWENTY SECOND ORDINARY YEARLY MEETING of this Company will be held at the Registered Office of the Company No. 10, Des Voeux Road Central, on SATURDAY, the 8th March, 1941, at 2.00 p.m. for the purpose of receiving the Report of the Directors together with a Statement of Accounts for the year ended 31st December 1940.

The Register of Shares of the Company will be closed from Saturday, 1st March, 1941 to Saturday, 8th March, 1941 (both days inclusive) during which period no transfer of shares can be registered.

By Order of the Board of Directors.

KAN TONG PO,
Chief Manager.

Hong Kong, 20th February, 1941.

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## THE "STAR" FERRY COMPANY, LIMITED

### Notice to Shareholders

NOTICE IS HEREBY GIVEN THAT THE FORTY-THIRD ORDINARY YEARLY MEETING OF THIS COMPANY will be held at the Office of Messrs. Jardine, Matheson & Co., Ltd., on FRIDAY, the 28th February, 1941, at 11.00 a.m., for the purpose of receiving the Report of the Directors together with a Statement of Accounts for the year ended 31st December, 1940.

The Register of Shares of the Company will be CLOSED from Wednesday, the 19th February, 1941, to Friday, the 28th February, 1941, both days inclusive.

By Order of the Board of Directors.

C. M. MANNERS,
Secretary & Manager.

Hong Kong, 12th Feb., 1941.

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## THE HONG KONG JOCKEY CLUB

### ANNUAL RACE MEETING, 1941

Postponed to:—

THIRD DAY—
Saturday,—22nd February.

FOURTH DAY—
Monday,—24th February.

FIFTH DAY—
Saturday,—1st March.

On Saturday, 22nd and Monday, 24th February, the first bell will be rung at 11.00 a.m., and the first race will be run at 11.30 a.m. On Saturday, 1st March, the first bell will be rung at 1.30 p.m. and the first race will be run at 2.00 p.m.

The tiffin interval will be after the fifth race on the third and fourth days.

MEMBERS' BADGES AND ENCLOSURES

Members are reminded that they and their ladies MUST wear their badges prominently displayed throughout the Meeting.

NO ONE WITHOUT A BADGE WILL BE ADMITTED TO THE MEMBERS' ENCLOSURE.

Badges admitting non-members to the Members' Enclosure and Club Rooms at $10.00 per day including tax—or $40.00 including tax for the Meeting (ladies $5.00 and $20.00 respectively) are obtainable through the Secretary upon the written or personal introduction of a member, such member to be responsible for all chits, etc.

Badges admitting to Members' Enclosure will NOT be on sale at the Race Course.

The Secretary's Office, 1st floor, EXCHANGE BUILDING, (Tel. 27794) WILL CLOSE AT 9.45 a.m. ON THE FIRST FOUR DAYS, and at 11.45 a.m. ON THE FIFTH DAY.

A limited number of tiffins will be obtainable each day at the Club House, provided they are ordered in advance from the No. 1 Boy, (Tel. 21920).

NO CHILDREN WILL BE ADMITTED TO THE CLUB'S PREMISES DURING THE MEETING.

PUBLIC ENCLOSURE

The price of admission to the Public Enclosure is $2.00 per day including tax for all persons including ladies, and is payable at the Gate.

Soldiers and Sailors in uniform are admitted to the Public Enclosure at $1.00 per day including tax.

Bookmakers, Tic Tac men, etc., will not be permitted to operate within the precincts of The Hong Kong Jockey Club during the Race Meeting.

Tiffins will be obtainable in the Restaurant in the Public Enclosure.

SERVANTS' PASSES

Passes for Servants will be issued to Private Box holders ONLY on application to the Secretary, 1st floor, Exchange Building.

Any persons found loitering with Servants' passes in their possession will forfeit the same and will be removed from the Enclosure.

By Order,

C. B. BROWN,
Secretary.

Hong Kong, 9th. February, 1941.

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## WARNING

Business Houses are hereby warned that all payments in connection with the 1941 edition of The Hong Kong Dollar Directory should be made at the Offices of the publishers, through the post or by chit book.

No one is authorised to visit offices and collect money on behalf of this publication.

THE PUBLISHERS,
The Newspaper Enterprise, Ltd.
Windsor House.

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# BRIDGE NOTES

## REOPENING THE BIDDING
### By The Four Aces

Good players nowadays realise that it pays to keep the bidding open after partner has opened the bidding, even if one's own hand is pretty weak. When a good player fails to do so, therefore, it's a confession of abject weakness which may be turned to account by astute opponents:

South, Dealer
Neither side vulnerable

| | | |
|---|---|---|
| | ♠ Q 9 5 2 ♡ 10 8 3 ◇ 10 7 3 ♣ 10 5 2 | |
| ♠ 7 6 ♡ J 9 5 4 ◇ A 8 4 ♣ A J 7 4 | N W E S | ♠ A J 8 4 ♡ Q 7 2 ◇ K Q J 6 ♣ Q 6 |
| | ♠ K 10 3 ♡ A K 6 ◇ 9 5 2 ♣ K 9 8 3 | |

The bidding:

| South | West | North | East |
|---|---|---|---|
| 1♣ | Pass | Pass | Dbl. |
| Pass | Pass | Pass | |

North's pass was perfectly proper, of course, since his hand was too utterly bare for even the most courteous of "courtesy" responses. East could have left his cards unseen on the table and could still have been pretty sure that the opponents had no game and that it was therefore safe to reopen the bidding. That is true in almost all cases where an opening bid is not kept open, for the passer shows a "bust" and the bidder cannot have game in his own hand since he did not make a two-bid.

But it isn't enough merely to reopen the bidding in the hope of getting a part-score of one's own or, perhaps, a hard-earned game. Of all reopening bids, the double is the least binding and the most likely to be profitable.

In to-day's hand, for example, East's double was a Takeout Double -- but it gave West the chance to pass for penalties. Had East reopened the bidding with one diamond, South would have passed and would have been out of his misery. As it was, he was set three tricks at his one-club contract; and the 500-point penalty was worth more than the rather doubtful game at no-trump which East and West might have made (but which they probably would not have bid.)

* * *

Yesterday you were Howard Schenken's partner, and with both sides vulnerable, you held:

♠ A Q 6 3
♡ 8
◇ A J 7 5 4
♣ K 10 2

The bidding:

| Jacoby | You | Maier | Schenken |
|---|---|---|---|
| 1♡ | (?) | | |

ANSWER: Double. The Takeout Double is the best way to show your strength and land in the best suit of the combined hands. To bid either of your suits risks a possibly disastrous penalty double and does not really show the nature of your hand.

Score 100% for double, 30% for two diamonds, 20% for one spade.

## Question No. 644

To-day you hold the same hand, and the bidding continues:

| Jacoby | You | Maier | Schenken |
|---|---|---|---|
| 1♡ | Dbl. | 1NT | 2♣ |
| Pass | (?) | | |

What do you bid? (Answer tomorrow.)

(Released By The Bell Syndicate, Inc.)

When the old-fashioned girl got a beau she considered it called for a feather in her cap but the modern miss thinks the event calls for an ostrich jacket.

---

## OFF THE RECORD — By ED REED

"Stanley taught him to help me, so he wouldn't have to do it himself!"

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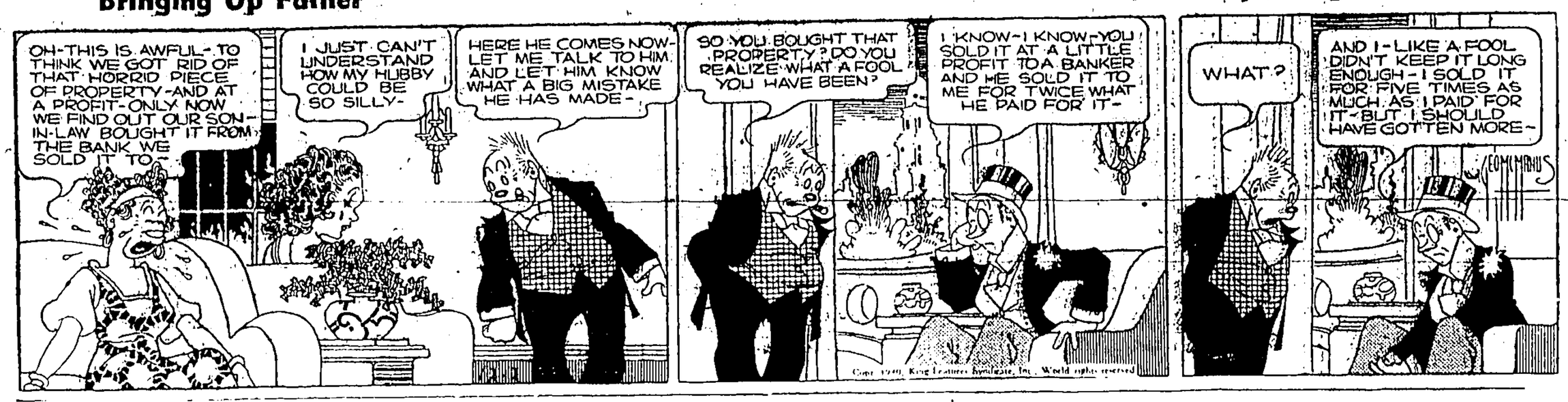
**Bringing Up Father** — By George MacManus




# A PAGE FOR WOMEN

## Limber Up In The Home

With an eye toward the time problem of many women, those who go to business and those who work hard at home, Madame Helena Rubinstein has invented a series of limbering and conditioning movements which she calls "Living Exercises."

These exercises utilise the motions of the ordinary, everyday routine of living, but are regulated and exaggerated so they may scientifically aid a woman in limbering, reducing and relaxing.

For instance the housewife is urged to use her duster and her everyday household chores for remodeling her figure. If she sweeps she should sweep rhythmically, without tension. If she dusts she should bend or stoop whenever she can and never overreach which strains her body. Polishing furniture can be a splendid arm and chest exercise if one rubs in circles or up and down to mental counts or radio music rhythm.

While doing household chores pause long enough once in a while to stretch your broom over head, spreading arms far apart and raising head high.

This wise housewife keeps limber by kicking high over the back of a straight chair in a wide semi-circle. Knees are kept straight.

Every once in a while the housewife should steal a few moments for special living exercises. For instance she can stand in good posture and swing her legs, one at a time, high over the back of a straight chair. This is good for thigh reducing and abdomen firming.

Or she may take a broom, clasp it with both hands and raise it overhead. Allow the arms to stretch as far apart as they can while your head bends backward and neck is stretched taller. This simple movement is a marvellous corrective for rounded shoulders and a sagging bust. It also relieves those shoulder kinks one frequently gets from doing housework.

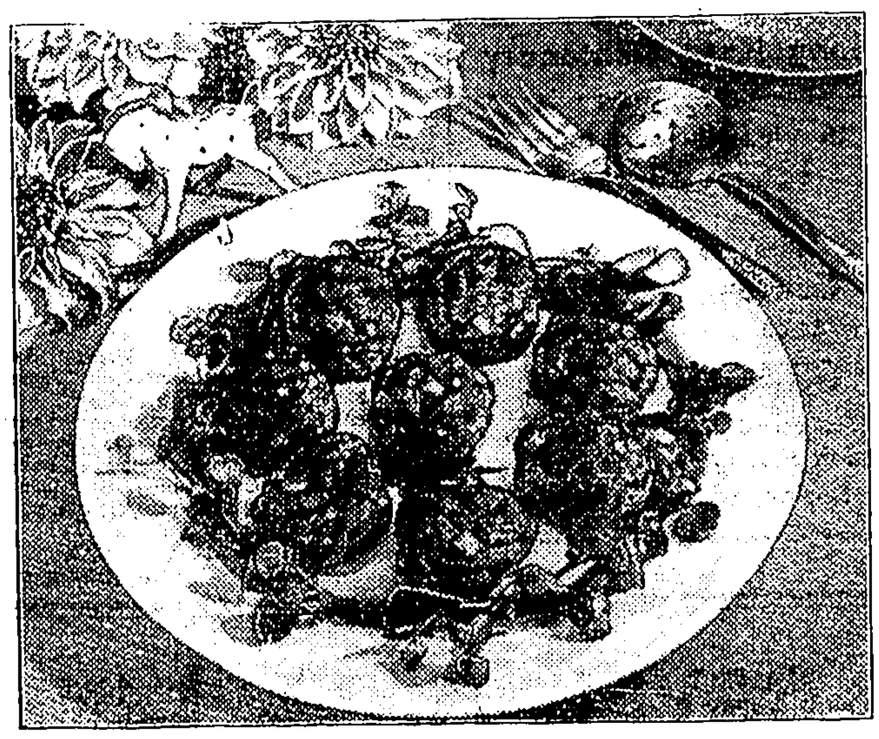
During rest periods they may stretch out on the floor—for the harder the surface the better for your spine. Keep an old blanket handy, spread it on the floor and lie down. Make every vertebra touch the floor if that is possible, and let your arms rest in the most relaxing positions.

When you get up, comb your hair, take a drink of chilled vegetable or fruit juice and then carry on. Or you may take the drink before you lie on the floor.

Never sit down to your luncheon if you are exhausted from preparing it. Wait a bit, refresh your beauty and spirit by dashing cold water on your face and by combing your hair, and then sit down quietly to eat. While you are eating forget about the things you still must do. You owe it to yourself to prevent indigestion and other disorders.

## *FLAVOR, rich full flavor, is the main idea in a BAKED MEAT LOAF*

says Dorothy Greig



Individual Meat Loaves are delicious—and an interesting change from a single large loaf.

THE difference between an Oh Boy! dish and a Dear Me! one simmers down to a matter of flavor.

Full flavor . . . "mmn, what a fine cook she is." Tasteless flatness . . . "how does her husband stand her dreary meals, poor man!"

Certainly, deep relishing flavor marks the two baked meat loaves below as belonging to the Oh Boy! family.

In one, flavor is achieved by a combination of several seasonings in the meat loaf, plus a lively sauce. In the other, it is stepped up by simply adding a can of condensed soup to the meat. This is a trick every woman should remember for condensed soup is a quick and easy stepper-up of flavor in many a meat and casserole dish.

**Veal Loaf with Tomato Relish Sauce**

2 tablespoons butter
2 tablespoons flour
4 tablespoons chopped onion
2 tablespoons chopped parsley
1½ pounds ground veal
1 teaspoon salt
¼ teaspoon pepper
2 eggs

Melt butter, add flour and cook until frothy. Combine with chopped onion, chopped parsley, veal, seasonings and eggs and mix well. Shape into a loaf, put into a buttered loaf pan and bake in a moderate oven (350°) for one hour and fifteen minutes. Serves 6-8.

*Tomato-Relish Sauce:*

1 can condensed tomato soup
3 tablespoons relish (India or sweet pickle)
1 tablespoon drippings from meat loaf

Combine all ingredients and heat 5-6 minutes to blend the flavors.

This next one is made as individual loaves, which is an interesting change from the more usual large single loaf. There is sufficient seasoning in the condensed soup to flavor the meat. Not even salt and pepper need be added.

**Individual Beef and Vegetable Loaves**

1 pound ground beef
1 can condensed vegetable soup

Combine the ground beef and soup and mix well. Pack into large size muffin pans and bake in a moderate oven (350?) for 45 minutes to one hour. Serves 6-8.

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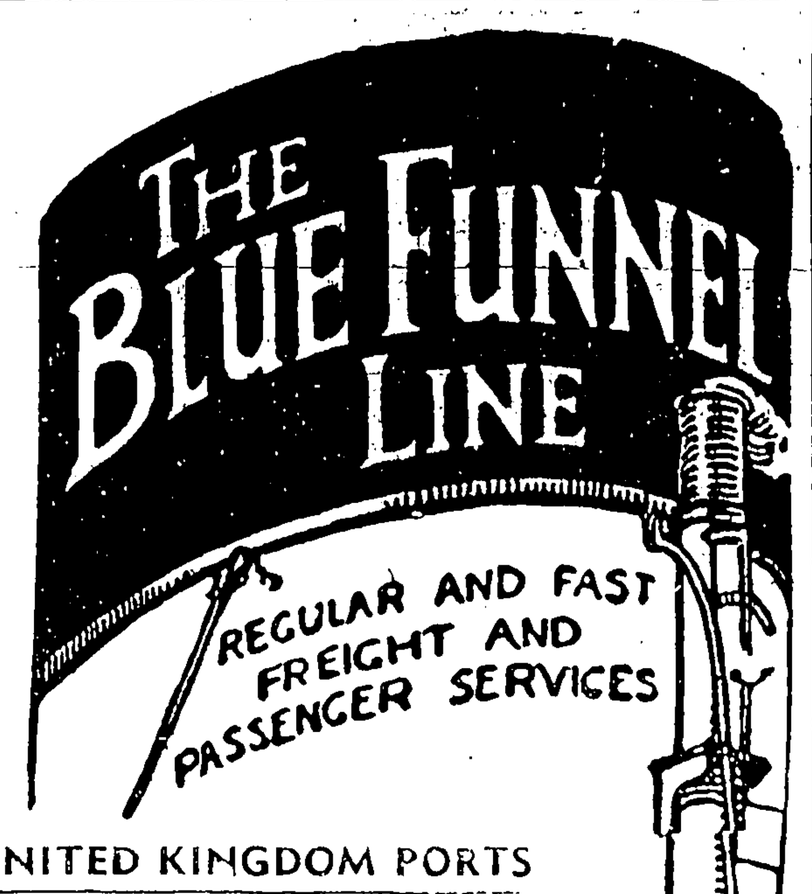


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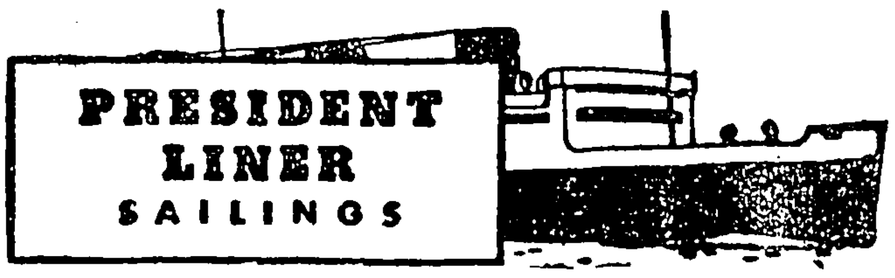

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Small Packet Post to all countries is suspended.

## INWARD MAILS

### THURSDAY

Java.
Calcutta, Straits and Air Mail by "British Overseas Airways Service" (except London) by Sea from Singapore.
Straits and Air Mail by "British Overseas Airways Service" (Australian mail only) by sea from Singapore.
Calcutta and Straits.

### FRIDAY

United Kingdom and Straits.
Canton
Sandakan

### SATURDAY

Air Mail by "Pan-American Airways Direct Service"—San Francisco date, 15th February.

### SUNDAY

United Kingdom and Straits.

### MONDAY

U.S.A., Honolulu, Japan and Shanghai. (San Francisco date, 7th February).
Canton

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### THURSDAY

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|---|---|---|
| Saigon | 2.30 | p.m. |
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| **K.P.O.** | | |
| Parcels | 4.00 | p.m. |
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| Ord. | 5.30 | p.m. |
| **G.P.O.** | | |
| Parcels | 4.00 | p.m. |
| Reg. | 5.00 | p.m. |
| Ord. | 7.00 | p.m. |
| Saigon | 7.00 | p.m. |

### FRIDAY

| | | |
|---|---|---|
| Straits and Rangoon | 12.30 | p.m. |
| Air Mail by Air to Rangoon to connect with the "British Overseas Airways." | | |
| **K.P.O.** | | |
| Reg. | 4.00 | p.m. |
| Ord. | 4.30 | p.m. |
| **G.P.O.** | | |
| Reg. | 4.00 | p.m. |
| Ord. | 4.30 | p.m. |
| Canton | 7.00 | p.m. |

### SATURDAY

Air Mail by Sea to Singapore to connect with the "British Overseas Airways".

| | | |
|---|---|---|
| **K.P.O.** | | |
| Reg. | 2.00 | p.m. |
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| **G.P.O.** | | |
| Reg. | 2.00 | p.m. |
| Ord. | 2.30 | p.m. |
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| Ord. | 5.30 | p.m. |
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| Ord. | 3.30 | p.m. |
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# RADIO

12.28 p.m.—Brahms — Double Concerto in A Minor, Op. 102.
1.03 p.m.—Charlie Kunz at the Piano.
1.15 p.m.—Concert Waltzes by The Orchestra Mascotte.
1.30 p.m.—Reuter and Rugby Press, Weather Forecast and Announcements.
1.45 p.m.—Sophie Tucker and Stanley Holloway in Variety.
2.15 p.m.—Close down.
5.45 p.m.—Indian Programme.
6.32 p.m.—The Don Cossacks Choir in a Russian Programme.
7.00 p.m.—London Relay—The News.
7.15 p.m.—London Relay—'Meet Uncle Sam'.
7.30 p.m.—Dance Music by the B.B.C. Dance Orchestra.
8.03 p.m.—Robinson Cleaver (Organ) and Patricia Rossborough (Piano).
8.15 p.m.—Studio—Local Newsletter.
8.30 p.m.—Variety with Sandy Powell and Pat Kirkwood.
9.00 p.m.—London Relay—The News.
9.15 p.m.—London Relay—'Questions of the Hour'.
9.30 p.m.—A 'Cello and Piano Recital by Casals and Gieseking.
9.55 p.m.—Beethoven—Symphony No. 9 in D Minor, Op. 125 "Choral".
11.00 p.m.—Close down.


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# ITALIAN ISLANDS' FATE IS SEALED

**The fate of the Dodecanese Islands, Italy's most important outpost in the Eastern Mediterranean, is sealed.**

It will be only a few months, in the opinion of experts, before these islands off the Turkish coast, which were intended to play a leading part in both the air and the naval aspect of Mussolini's plan for the conquest of the Suez Canal, hoist the white flag as the British blockade becomes a stranglehold.

Water, petrol, oil, munitions and food are all lacking. The straits to which the Italian warships and 'planes operating from the islands are reduced is shown by the fact that the Italians are sending lubricating oil there by air.

An Italian was captured while flying a 'plane which had been reconstructed as an aerial oil tanker. He explained that the blockade prevented supplies from Italy reaching the islands, particularly since the British have established their new base in Crete.

## A New Gibraltar

**Crete has become a new Gibraltar in the Eastern Mediterranean and revolutionised the whole strategy in these waters to our tremendous advantage.**

I have just visited Crete and inspected the natural harbour of Suda Bay on the North Coast. The troops ashore include men from all parts of the country. There are some crack A.A. gunners from England on the island.

The captain of the ships in which we sailed to Crete was a Londoner and the crew were mainly from Lancashire and Northern Ireland.

## Preferred Blackpool

One humourist among the khaki-clad lads crowding the sides of the ship remarked, after scanning the vineyards and the shining white or saffron-coloured little houses clustered in the valleys and on the hills, "Ee, rather have Blackpool."

# NO CHOICE FOR BILLET SNOBS

"There is room in your house for evacuees, and evacuees you are going to have."

That's what people in the Wayland district of Norfolk will be told if they try to get out of providing billets.

The rural council has appointed an ex-policeman as billeting officer to deal with snobs who refuse to provide homes for mothers and children.

The new 6ft. billeting officer will not be a local man. He will be paid £3 a week—"and he will earn it," remarked an official.

All the voluntary billets in the district—where there are 1,700 Londoners — are taken up.

# BRITAIN FREES ANTI-NAZI NO. 1

THE GATES OF A BRITISH INTERNMENT CAMP HAVE JUST OPENED TO RELEASE ANTI-NAZI NO. 1.

After five months behind barbed wire, Mr. Stern-Rubarth, author of "Exit Prussia" and once one of the greatest powers in Germany, has won his freedom.

He is the first person to be released under Section 10 of the Act, which allows tribunals to set free men who, "by speech or official or political activities, have taken a prominent part in the opposition to the Nazi system."

# MURDER CHARGE —"DIDN'T CARE"

Before she went to the Old Bailey to face a charge of murdering her seventy - one - year - old blind husband, a woman declared that what she had done was right; that she did not care about what happened at the trial.

The woman, Mrs. Ida Ethel Rodway, sixty-one, machinst, of Kingshold Road, Hackney Wick, E., was found unfit to plead to a charge of murdering her husband, Joseph William Rodway.

Mr. Justice Wrottesley ordered her to be detained "until his Majesty's pleasure shall be known."

**At the police court it was alleged that Mr. Rodway had been blind since July, and Mrs. Rodway had done everything for him. On September 21 their home was bombed and he was taken to hospital.**

Later he was taken to the home of Mrs. Rodway's sister, to whom on October 1 Mrs. Rodway said: "I have murdered my husband. I want to find a policeman."

The medical officer of Holloway Prison said that Mrs. Rodway was not sane.

"I had an interview with her this morning," he said, "and she told me that she intended to plead guilty, as that would get everything settled; that what she had done was right, and she is entirely unconcerned about the result of the trial."

# DAUGHTER, 12, DEFIES BOMBS TO AID DOCTOR

**(By A SPECIAL CORRESPONDENT)**

**SCRAMBLING THROUGH the shattered timbers and crumbling rubble of a bomb-wrecked building, a twelve-year-old schoolgirl carried frail glass syringes containing morphia to her doctor father, who was treating trapped victims.**

Two nights later, the same little girl fought the flames of an incendiary bomb and saved the five-storey block of flats in which she lives.

And now, Patricia (Paddy, if you please), daughter of Dr. P. P. Dalton, a Harley Street specialist, is enjoying a joke.

**She has received a letter congratulating her on her pluck. It begins, "Dear Madam. . . "**

Paddy certainly did a grown-up's job in beating Hitler's airmen.

While she was keeping her six-year-old brother, Hugh, company in the basement of their flats during a night raid, a large-calibre bomb hit an adjoining building.

Brickwork and plaster crashed down on them. Paddy picked her brother up and carried him to the safety of a corner.

Soon her mother came down. "Daddy has gone to see if he can help the injured," said Mrs. Dalton. "I am going to prepare morphia syringes.

**Paddy waited till her mother had prepared the syringes, then spoke firmly. "I'm smaller than you. I can climb over the wreckage.**

While bombs still fell and gunfire roared overhead, Paddy, in her pyjamas, crawled over the debris.

Two nights later Paddy was in the kitchen when she heard glass shattering. A moment later, flames licked beneath the front door. Without hesitating she ran out into the hall to where an incendiary bomb was spurting fire.

"I called Daddy, and ran for the sand bucket," she said. "When he came, I gave it to him, and then decided to get some more.

"It was exciting. Afraid of bombs? Don't be silly. I'm twelve!

# BROKE LAW THROUGH BAD ADVICE

Bad advice caused a woman to break the law. That was the opinion of a magistrate when he fined the woman 10s. for showing an unscreened light in the black-out.

The woman, Mrs. Florence Preston, of King Street, Ellesmere Port, Cheshire, said that people had been advised over the radio to leave curtains undrawn and windows and doors unfastened in their absence, so that wardens and police could see if incendiary bombs started fires.

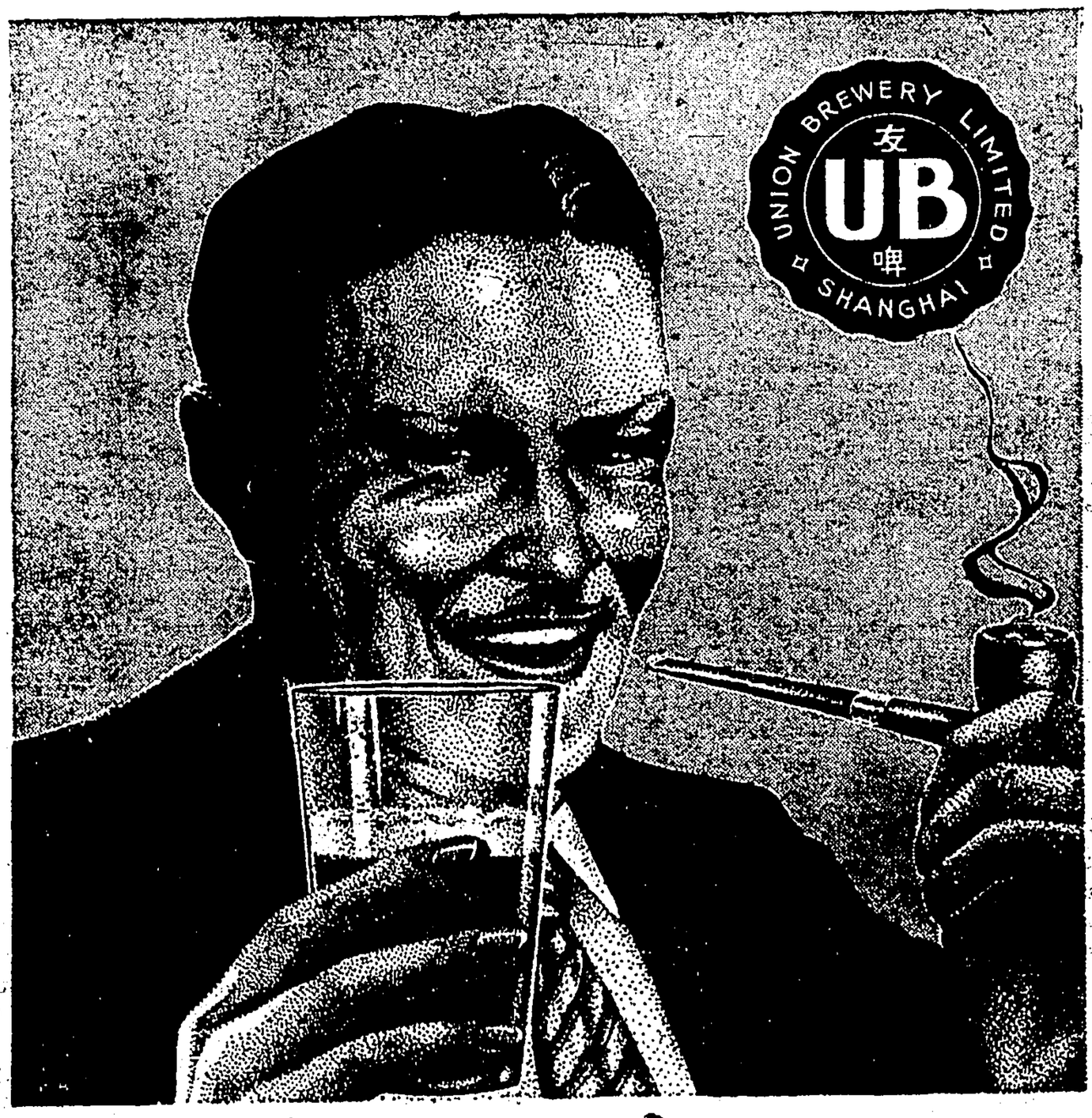
The police agreed that the advice given was right, but said Mrs. Preston ought not to have left a fire burning.

# A FAMILY AFFAIR—

Corporation buses and trams are becoming family affairs in Leeds.

It is quite common to find that driver and conductress are uncle and niece or father and daughter. Soon there will be husband and wife.

Miss Marjorie Townsend, whose job is placing the girls when they finish their training, told a reporter: "We found one difficulty was getting the girls home after late duties. If we put them with a relation, that is solved."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# RACING IN TIENTSIN TO BE REVIVED SOON

## Committee To Promote Sport

## FIRST MEETING IN THE SPRING

**ALTHOUGH RECENTLY frowned upon by the Japanese-sponsored Chinese municipality, the Sport of Kings is to be revived in Tientsin — and under the auspices of the same Chinese Municipality.**

In order "to promote horse racing and to bring prosperity to the port," a so-called Tientsin Race Committee, of which Mayor S. T. Wen is chairman, is reported to have been formed. Colonel Yamashita, chief of the Japanese Special Military Mission, is said to be adviser to the new body.

The first race meeting under the new committee, all members of which are either Japanese or Chinese, is expected to be held in the Spring.

Before the Municipality changed its attitude towards racing, Chinese lovers of the sort were discouraged from attending meetings of the Tientsin Race Club, primarily a British enterprise.

### Taken Off In Black Marias

Those venturing to disregard the advice were rounded up and driven off in Black Marias. Even the native staff of the Race Club experienced difficulty in getting out to the course and returning to their homes at the end of the day. Armed police were stationed all along the route leading to the course during meetings.

All these restrictions led to the Chinese public staying away, and eventually the Race Club had to run its meetings "for members only," which proved highly unremunerative and forced the Stewards to dig into the reserve fund to provide stakes for owners.

The original reasons advanced by the Mayor's office for the ban on the attendance of Chinese at race meetings were that conditions were unsettled in North China, gunmen were active, and terrorists were liable to mingle among the crowds to cause serious disturbances.

### Negotiations With Chinese

Negotiations, however, were continued by the Tientsin Race Club with the Mayor's Office, and last autumn a set of provisions were outlined by the Chinese authorities on the basis of which the restrictions would be removed. Among these provisions, it is understood, was one stipulating that receipts and their distribution should be subject to the supervision of the Mayor's Office. To this the Race Club had no objection, particularly as a definite percentage scale is openly in existence as regards prize-money and the Race Club's share.

There was another stipulation requiring that the racing should be "under the control of the Municipality." The Race Club asked for elucidation of the term "control", but none was forthcoming until an announcement in the Chinese press that the Chinese Municipality is to conduct racing. — Reuter.


## FOR THE 1 MAN IN 7 WHO SHAVES EVERY DAY

**A Special Shave Cream—It's Not a Soap, Needs No Brush!**

**Daily shaving leaves many men's faces raw and sensitive. Yet, because of his business and social status, one out of every 7 men must shave every day.**

***To meet this condition,*** **Williams has now developed GLIDER—a special cream for daily shavers. With no soap base, it's a complete departure from ordinary shave creams. No brush. No lather. Not sticky or greasy.**

***A superabundance of moisture*** **is contained in this rich cream. It won't dry on your face. Applied with the fingers, it quickly softens each whisker. A protective layer is formed over which your razor glides. Off comes each hair at the base without scraping. Like a cold cream, Glider helps keep your skin smooth all day. Glider is the result of nearly 100 years' experience in making fine shaving preparations.**

*Sole Agents:—*

**J. R. Loxley & Co., (China) Ltd.**


## SOVIET ARMY BEGINS CROSS COUNTRY RACES

The cross-country ski-races of the Red Army in honour of Hero and Marshal of the Soviet Union, S. Timoshenke, have commenced throughout the country.

Reports of an immense number of the participants of the races. Red Army men, commanders and political instructors are pouring in from military areas and units.

Representatives of the high command attended the start and finish of one unit of the Moscow military area. In this unit, M. Evsevey won the ski-race over 20 kilometres covering this distance in one hour thirty five minutes. Greeting the participants of the cross-country race and noting the excellent physical training of the Red Army men, was the Commander-in-Chief of the troops of the Moscow area, Army-General Tyulenev.

Despite 44 degrees below zero the entire units and sub-divisions of the Trans-Caucasian military area participated in the races and successfully completed many-kilometres runs across extremely difficult terrain. The best skiers left for long-distance marches. Villages enthusiastically welcome the Red Army men. In evening concerts and theatrical performances are held at the army's winter camps.—Tass.

## CRACK SPRINTER AT 50

**There are bookmakers' runners and bookmakers who run, but here is a pukka bookmaker, Cecil Bailey, who is also a genuine Powderhall sprinter, writes a correspondent.**

He is probably the best in the fifties in the country, and he says he is going to set up a new age record by winning the big pro' sprint to be held soon.

He has been combining both his businesses at race meetings lately, and those who snooped in at his winding up gallops tell me Cecil is moving like a champion in spite of his 53 years.

He has run in at least 25 Powderhalls. He still finds inspiration. I expect, from the fact that a bookmaker, David Roberts, has won the event twice.

## MOVE TO BOYCOTT AXIS 'SPORTSMEN' AFTER THE WAR

**A SHORT WHILE AGO I wrote of forming a "never again" club with a membership pledged to boycott all sporting events after the war in which the entries of Germans and Italians had been accepted, writes L. V. Manning. I started an avalanche —two avalanches in fact. One thunders approval. The other screams abuse.**

But I think it will surprise and shock most of the readers of this column to know there are still folk who, with the Nazi mind so starkly revealed, can still preach the gospel of "forgive and forget" which proved such a world tragedy in 1918.

Even those lofty souls who can do both, one imagined, would at least agree that nations which do not understand the meaning of sportsmanship and fair play had best be left to play with themselves.

### Lest We Forget

The F.A. in May, 1938, paid its own team expenses to Berlin on the German F.A.'s promise that Germany would do the same for a match in London on 1940. The stolen gate was £27,000, which no doubt went into the local Messerschmidt fund—pronto!

A year nearer the war break. May, 1939, an Italian full-back punched George Male in the face and the ball into the net with England winning 1-0. A German referee called it a goal!

This after the Italians had horrified the sporting world in the infamous International at Highbury, 1934, and in another international a brave young sportsman spat in the face of an English referee.

### Hear The Colonel

Well, there's always the other fellow's point of view, so consider this—from a retired colonel.

"I read with great disgust your absurd proposal to boycott all German and Italian sportsmen after the war.

"This persecution of a man for his race is not only un-British—it smacks very strongly of Nazism.

"Hitler persecutes the Jews, and you want to follow his example and persecute the Germans and Italians.

"Rubbish, my dear sir. Let us forgive and forget, and show we British still retain some sense of fair play. I regard your views as a disgrace," etc.

### Some More

And this from the secretary of a well-known London cricket club:—

"I have read your sporting page for a long time and enjoyed your remarks, but this idea of a Never Again Club disgusts me beyond all words that I can put in a letter.

"I had an idea we were in this war with the purpose of establishing freedom as far as possible. If that is so, I should have thought that freedom in all sporting events should be one of our foremost aims.

"If, on the other hand, we are only going to mix with a restricted number of countries why carry on the war?"

From the majority side of my post I'll be content to select just one brief letter. Here it is:—

"Hearty congratulations. Count me an enthusiastic member—An English Mother of Three English Children, Sussex."

# CLUB ONLY SIDE TO IMPRESS IN SEVENS MATCHES

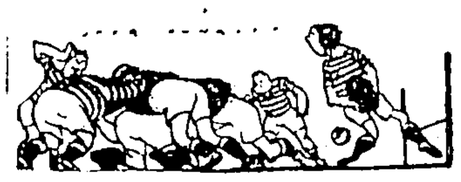
**By "Scrum-Half"**

**The four Seven-A-Side Rugby Tournament matches yesterday on the Club ground provided a standard of play much below that of last season, only Club "A" inpressing, and even they had a weakness that may cost them the title—Walkden was "out-hooked," and the forward trio need to exert themselves more in the set scrums.**

Behind the scrum Club are exceptionally strong in attack, though their defence is problematical. "Granny" Bidwell made a welcome return and he struck form in his first game in months.

Van Leeuwen, Thomson, Stewart (Bidwell converted) and Bidwell scored Club's 14 p's.

Middlesex "A" were swept off their feet by the open play of their opponents, with the result that Van Leeuwen was not tested, but I still think Club can improve their seven by the introduction of Davies, normally a wing-forward, or Lavalle, a vastly improved



player. Both are faster than van Leeuwen and their tackling is sounder.

Police "B" almost eliminated Civil Service. Had their three heavy forwards been able to last the fast pace they themselves set they would have won by an unconverted try scored by Rose early in the first half. As it was the elusive Morgan, key man in the Civil Servants' line-up and who was not as closely watched as he might have been, levelled the scores with a snap try in the closing minute, and in the third half of extra time Forrow, who had previously thrown away two glorious opportunities—once he attempted a dropped goal from 40 yards instead of making a dash for the corner flag—went over for the winning try after knocking on a good pass from Morgan, who gave him a clear passage to the line.

### Too Much Kicking

Police were all over their opponents in the first half, but once their forwards eased up they lost their grip on the game. Fay and Dingsdale refused to make any attempt to open up the game, preferring to find touch.

Combined Small Units "B" upset my forecast when they beat 12th Heavy Regt. "A" by a try scored from the kick-off for extra time by Wigglesworth, who was always prominent. The kick was attempted, though it was not necessary as the side which scores first during extra time wins.

Small Units were cleaner in their handling of the slippery ball and their tackling was always deadly.

Eddison, who made one really good dribble that gained 30 yards and almost produced a score, and Pratt were others to shine for them.

Bompas and Keeble did well for Gunners, who never settled down to the heavy conditions.

Royal Engineers did not show their best form against 8th Heavy Regt. "B" and a try by Davies that was converted by Birrell with a grand kick was their only score, though, individually, they were much superior to their opponents.

Results were as follows:

| | | | |
|---|---|---|---|
| R.E. | 5 | 8th H.R. "B" | 0 |
| C.S.U. "B" | 3 | 12th H.R. "A" | 0 |
| C. Service | 6 | Police "B" | 3 |
| Club "A" | 14 | Middlesex "A" | 0 |

## SERVICES SIDE FOR SATURDAY

Following have been invited to represent Combined Services against Combined Club and Police on Saturday on the Club ground at 4.15 p.m.—Honywill (Navy); Richards (Army), Douglass (Army), Paul (Navy) and Birrell (Army); Carter (Navy) and Rutherford (Navy); Sutherland (Army), Watson (Navy), Bompas (Army); King (Navy), Millar (Army), Pinkerton (Army), Berry (Army) and Poole (Navy).

## ST. JOHN'S BEAT ST. ANDREW'S

St. John's beat St. Andrew's by 6 games to 3, in "B" Division of the Badminton League, on the latters' court last night.

E. F. Fincher and H. Kew (St. Andrew's)

| | |
|---|---|
| lost to D. Kwok and H. Eardley | 12—21 |
| lost to N. L. Smith and P. Wilson | 21—21 |
| beat G. S. Ladd and R. Maynard | 21—3 |

H. Brown and S. A. Gray (St. Andrew's).

| | |
|---|---|
| lost to Kwok and Eardley | 23—24 |
| lost to Smith and Wilson | 21—21 |
| beat Ladd and Maynard | 21—12 |

M. M. Davies and B. Gillespie (St. Andrew's).

| | |
|---|---|
| lost to Kwok and Eardley | 12—21 |
| lost to Smith and Wilson | 12—21 |
| beat Ladd and Maynard | 21—14 |

### Match Postponed

The match between Kowloon Tong and Police was postponed, while no scores are as yet available for the Recolo—J.R.C. fixture, which was played last week.

# Owen-Smith Best Full-Back For The Past Decade

**CHOOSING THE OUTSTANDING PLAYER IN ANY SPORT OVER A PERIOD OF YEARS IS ALWAYS A CONTROVERSIAL MATTER, AND VIVIAN JENKINS, THE FAMOUS WELSH RUGBY FULL-BACK, HAS SHOWN GREAT COURAGE IN NAMING H. G. OWEN-SMITH, THE SOUTH AFRICAN RUGBY AND CRICKET INTERNATIONAL, AS THE BEST FULL-BACK OF THE PAST DECADE.**

Jenkins, writing in the "News of the World," narrows his choice down to three men (he modestly omitted his own claims) and finally plumped for Owen-Smith. The others in the running were Gerry Brand, another South African, and Jack Bassett, of Wales.

In praise of Owen-Smith, Jenkins writes:

### Brilliant Full-Back

"Far and away the most brilliant exhibition of full-back play in my recollection was that given by this amazing little athlete in the Oxford-Cambridge match of 1933.

"Oxford won by five points to three; without him they might easily have lost by 20.

"What, then, do I ask in a full-back"

"Artistry" Most certainly, and by it I mean elusiveness and catching and kicking ability. Guts? Even more so—it implies tackling and falling, or 'taking the bumps,' and means points, as opposed to titivating the crowd's humour.

"But guts without aristry becomes rather dull, and artistry without guts is as useless as a glass-house in an air-raid.

"A full-back should possess both. Add to them the right temperament, and an occasional touch of the unorthodox, and, seeing that I do not consider place-kicking the especial prerogative of full-backs, you have my ideal man for the position."

## CECILIA COLLEDGE TO SKATE AGAIN

**One of the sports which has suffered an almost total eclipse is ice skating writes a correspondent from London.**

That some people have missed it is reflected by my postbag, and the disappointed ones may have their hopes raised by the news that Richmond Ice Rink is brave enough to reopen.

Interesting because it will give fans a chance to see Britain's ice queen, Cecilia Colledge, in action again during the afternoon session.

## RIGHT START ESSENTIAL TO GOOD BOWLING

**By Freddie Fischer**

*(World All-Events Champion)*

Anyone can learn to bowl, although it usually takes years of experience to develop a bowler of championships calibre.

I started at the age of 12, when I was setting up pins in an alley near my home, and started match bowling when I was 14. Anyone starting that young, however, should consult an instructor or alley proprietor, for it is easy for a young kegler to pick up bad bowling habits which he will have trouble correcting.

A few instructions from a competent tutor may means years in a bowler's development.

Many young men develop into fine bowlers, but I believe that most men reach their peak form at about 30 or thereafter, and then begin to lose some of their control.

Bowling is a sport which can be enjoyed throughout life. Phil Wolfe won the American Bowling Congress all—events championship at the age of 60, and I won it at 51, although most titlists have been somewhat younger.

One of the most important things in bowling is mental attitude. Perhaps more than in any other sport, tension is fatal. You can't "put on the pressure."

Remember that bowling is primarily a form of amusement, not a matter of life and death. With that attitude, you'll not only get more pleasure out of bowling—you'll probably roll better scores as well.

## NEW RACECOURSE AT WINDSOR

**There is no more criticised racecourse than Windsor, but not being a racing regular I have always found its picturesque riverside setting both attractive and refreshing, writes L. V. Manning.**

I now hear from Captain Robert Busby, clerk of the course, that big schemes are afoot for remodelling the whole place.

The war, of course, has held up ideas for the time being, as at Lincoln, but I can tell you Mr. Busby, who is largely responsible for the excellence of Manchester's arrangements, hopes to rebuild the cheaper stands and to widen the present rather dangerous bend near the paddock.

The new Windsor should silence all but the chronic grousers who will always be with us.

## NEW YORK BETTORS EXPECTED TO GET PENNIES IN 1941

New York legislators, studying first-year operation of the parimutuel betting machine system, found that the state benefited to the extent of $800,000 by not paying off the odd cents on winners' takings. Half the amount went to the state, the other half to the tracks.

The law is expected to be modified at the legislature's next session to give patrons all the money they win, including pennies.

Another probable change calls for disposal of uncollected bets—which in 1940 amounted to about $67,000—to some charitable fund connected with the turf. Racing men regard the present system of confiscation by the state as virtual robbery.

# TANGIER DISPUTE

## Anglo-Spanish Negotiations Still Hang Fire

## NEW U.S. BATTLESHIP NEARLY READY

The new United States 35,000-ton battleship Washington will be commissioned on May 15, six months ahead of schedule, the Navy Department announced yesterday.

The Washington's main armament consists of nine 16-inch guns. - Reuter.

## R.A.F. KEEPS UP HEAVY RAIDS ON DODECANESE

Very fierce activity by the R.A.F. and the South African Air Force was the feature of yesterday's Cairo communique.

The communique reveals that aerodromes in the Dodecanese Islands were raided on the nights of February 16, 17 and 18.

In addition, during the last two days the R.A.F. has maintained concentrated attacks on enemy positions in the Tepelini area in support of the ground forces.

Enemy troops concentrations in two villages to the north of Tepelini and military buildings were heavily bombed.

Continued support has been given to the British troops on various fronts in Italian East Africa.

Several raids were carried out on Keren. — Reuter.

## Serious Views Expressed

**THE ANGLO-SPANISH negotiations over Tangier are still hanging fire.**

The Under-Secretary for Foreign Affairs, Mr. R. A. Butler, told questioners in the Commons yesterday he regretted he was still not in a position to make a final statement.

Mr. F. Cocks (Lab.) asked whether the Spanish pledge that the neutrality of Tangier carried an assurance that Tangier would not be used as a base for operations against French Morocco.

Mr. Butler, on behalf of the Foreign Secretary, refused to accept the implications which appeared in that query.

Mr. Geoffrey Mander (Liberal) asked: "What is holding up a settlement, in view of the fact that many weeks, if not months, ago unilateral action was taken in abuse of British rights?"

"Is it not time we got some satisfaction?"

### View Shared

Mr. Butler said that Mr Mander's view was shared by Government and added that the Spanish Foreign Minister had been away from Madrid and that accounted partly for the delay. Mr. Eden had already said the negotiations had been proceeding satisfactorily. — Reuter.

## SENATE STILL DEBATING

Enactment of the Aid for Britain Bill would mean American intervention in the European conflict, said Senator Bailey (North Carolina, Dem.) during the third day's debate in the Senate.

He continued: "I hope this intervention may not mean war, but if it does I am ready for it."

Senator Bailey contended that the Lease and Lend Bill would give the United States a better chance for ultimate deliverance from a totalitarian world revolution.

*SENATOR CONNOLLY, OF TEXAS, ANOTHER DEMOCRAT, HAD OPENED THE DAY'S DEBATE BY OBSERVING THAT THE WORLD'S DEMOCRACIES MUST ALL "HANG TOGETHER OR THEY WILL HANG SEPARATELY."*

He predicted that an attempt would be made to invade North and South America if the Axis powers were victorious in Europe. —Reuter.

## HUGE INDIA RAILWAY SURPLUS

An unprecedently large surplus of nearly £11 million (exceeding by over £7,500,000 the previous year's surplus) is revealed in the Indian Railway Budget for 1940/41.

Presenting the Budget the Government spokesman said traffic connected with the war effort was a preponderant factor in the surplus; furthermore 305 miles of railway were dismantled for purposes of economy.

All available skilled labour, materials and machine-tools were required for war work, particularly munitions, and many workshops were now entirely employed in war work. — Reuter.

## ENEMY SHIPPING LOSSES

Enemy merchant shipping losses have been increased by 257,000 tons since January 7, according to authoritative sources in London yesterday.

These losses included ships sunk or captured at Derna, Tobruk and Benghazi.

British and Allied losses between January 5 and February 10 totalled 248,493 tons.—Reuter.

## STOP PRESS

Yugoslavia appears to share none of the apprehensions of her neighbours and complete calm prevails in Belgrade.

The impression persists among the ordinary public that peace is safe in the Balkans, through the beneficial intervention of Russia, who is considered to have constituted herself the guardian of Balkan tranquility.—Reuter.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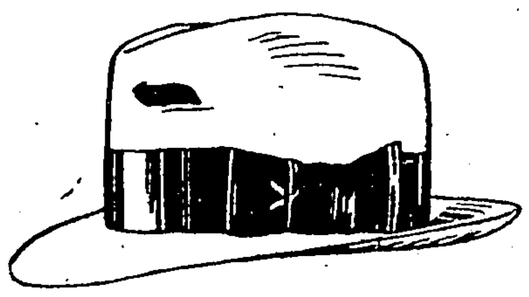

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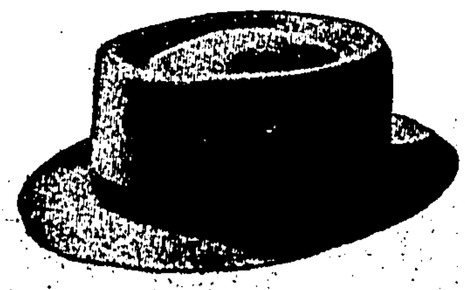

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GOVERNMENT UNDER FIRE See Pages 2 and 3

SECOND ED.

RICKSHAW BRAND CEYLON TEA


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# MR. MATSUOKA'S CURIOUS MESSAGE TO MR. ANTHONY EDEN

## Desire For Peace In East And To Help Elsewhere!

**"BRITAIN WILL NOT ENTERTAIN PEACE PROPOSALS UNTIL COMPLETE VICTORY HAS BEEN GAINED."**

**This categorical statement was made in authoritative quarters in London yesterday commenting on the offer of a Japanese spokesman that Japan is ready to mediate "in any war" if invited.**

These quarters point out that it is most interesting that the Japanese spokesman should feel called on to make such an offer.

They add: "The Japanese evidently do not appreciate conditions in Europe brought about by the war started by their ally.

"As the British Prime Minister has emphasised over and over again there can be no compromise." — Reuter.

### "Serious Approach"

The Japanese Foreign Minister, Mr. Matsuoka, Reuter's diplomatic correspondent learns, has addressed a special message to Mr. Anthony Eden, the Foreign Secretary.

**In the message Mr. Matsuoka offers to take whatever action is needed to restore normal conditions not only in the Far East but anywhere in the world.**

This official endorsement of the proposal made by Mr. Ishii, the Japanese spokesman in Tokyo, on Tuesday, gives it a very different importance from the apparently casual suggestion of a subordinate official.

**It becomes a serious approach from the head of a Government, which is in contractual relationship with Germany and Italy, although Mr. Ishii expressly stated they had not been consulted.**

Naturally Mr. Matsuoka's message will be received with the consideration which the authority of the sender demands, but there is not likely to be any variation in general of the immutable principles of British policy.—Reuter.

### Commons Statement

REPORTS OF AN IMPENDING JAPANESE EFFORT TO MEDIATE IN THE WAR WERE STRENGTHENED BY A STATEMENT BY THE UNDER-SECRETARY FOR FOREIGN AFFAIRS, MR. R. A. BUTLER, IN THE HOUSE OF COMMONS YESTERDAY.

In reply to an invitation to make a statement on the Far Eastern situation Mr. Butler referred to the recent increase in tension over "certain events," notably over the dispute between Indo-China and Thailand.

He added: "The Japanese official spokesman made a statement to the press yesterday.

"The Foreign Secretary has received from the Japanese Foreign Minister a special message in courteous terms and on the same general line as the statement just referred to.

"The terms of this communication are at present receiving due attention."—Reuter.

## German 'Planes Try Intimidation On Greece

Reliable reports that German 'planes made reconnaissance flights over Greece on Tuesday are taken in Belgrade to indicate that Hitler is going forward with his nerve war in an attempt to force Greece to give up the struggle against Italy.

It now seems clear that he may try intimidation before risking a conflict by sending troops to the Greek frontier.

The German 'planes dropped no bombs and were not fired on by the Greeks. It is not known whether they used Bulgarian or Rumanian bases.—Reuter.

## India And Far East Crisis

**The Far Eastern crisis is being closely watched all over India, and news of the arrival of Australian troops in Singapore was greeted with general satisfaction.**

It is recalled that large numbers of Indian troops have been drafted to Malaya and the vigorous training they have since undergone has given them a thorough knowledge of the country.

Reuter learns that the Government of India is fully prepared for any eventuality.—Reuter.

## JAPAN'S BID FOR OIL IN N.E.I.

The Netherlands East Indies Government has received a Japanese request to explore the oil areas in the N.E.I. and has indicated willingness to specify certain areas which could be explored, according to a Japanese report.

The Dutch authorities, however, are reported to have signified their willingness on the condition that Dutch observers accompany the Japanese surveyors.—Reuter.

## RUSSIA AS BALKAN GUARDIAN?

Yugoslavia appears to share none of the apprehensions of her neighbours and complete calm prevails in Belgrade.

The impression persists among the ordinary public that peace is safe in the Balkans, through the beneficial intervention of Russia, who is considered to have constituted herself the guardian of Balkan tranquility.—Reuter.

## MISHAP TO ACTING GOVERNOR

It was revealed at the opening of the Budget Debate in Legislative Council his morning, that His Excellency Lt.-General E. F. Norton, had an accident while out walking yesterday.

The Hon. Mr. N. L. Smith, who presided in the absence of General Norton, opening the proceedings, said: "I am sure I may express on behalf of this Council our deep sympathy and hopes for a very early recovery."

### Fall Into Nullah

It is learned that His Excellency was out walking yesterday afternoon in the neighbourhood of Wongneichong Gap with Major-General A. E. Grasett when he slipped and fell into a nullah and struck his head.

General Norton was knocked out for a few minutes but later recovered sufficiently to walk to a car to take him to Government House.

His Excellency is suffering from slight concussion and a few minor bruises, and has been ordered absolute quiet for 48 hours and no engagements before Monday.

There is no cause whatever for any anxiety.

## AUSTRALIA AT THE READY

The Australian Government has taken added precaution against the development of a sudden emergency after reviewing Australia's defence system, said the Acting Prime Minister, Mr. Fadden, in a speech in Melbourne yesterday.

No action would be taken and word spoken, he said, which would shatter peace in the Pacific.

"If the war comes to our front door, it will not be of our choosing.

"Let nobody think we are helpless and unfitted for such a supreme test," he concluded.—Reuter.

### MORE ITALIAN PRISONERS

A further 3,500 Italian prisoners have arrived in India from Africa, making a total of 23,000 at present in the country, says Reuter from New Delhi.

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# GOVERNMENT UNDER HEAVY FIRE IN DEBATE

## Unofficials Strong In Criticisms

## INEFFICIENCY ALLEGED

**SHARP CRITICISM OF GOVERNMENT'S ADMINISTRATION FORMED THE FEATURE OF UNOFFICIAL SPEECHES IN LEGISLATIVE COUNCIL THIS MORNING WHEN THE BUDGET DEBATE WAS OPENED ON THE FIRST READING OF THE APPROPRIATIONS BILL.**

**It was revealed that the new block at Police Headquarters is not to be proceeded with, nor the new Infectious Diseases Hospital in Kowloon.**

Unofficial Members strongly condemned the raising of the Income Tax "bogey" and argued that if further war revenue is required it should be raised within the framework of the existing tax scheme with, perhaps, some of its "iniquities" ironed out.

**Chinese members of Council were vigorous in criticism of the working of the Immigration Department, and there were suggestions in the speeches of several members that an inquiry should be held into allegations of inefficiency in certain departments.**

The Hon. Mr. Leo d'Almada, for instance, declared: "I suggest, Sir, that Government emulate the Dictators in one regard, and take measures to purge its ranks."

Moving that the Estimates for the year 1941-42 as now presented, be approved, the Hon. Mr. N. L. Smith said.

On 16th January, 1941, by a Resolution of this Council the draft estimates of expenditure for 1941-42 were referred to a Select Committee consisting of myself, the Financial Secretary and all unofficial members of this Council. We now present our report in the form of the amended print bearing to-day's date.

As foreshadowed in the speech of the Honourable Financial Secretary on 16th January the provision for the construction of a new Lighthouse Tender has been excised.

It has also been decided not to proceed during the coming financial year with the building of the proposed new block of offices and quarters at the Central Police Station, though a token vote of $50,000 remains in the draft estimates to cover any expenditure that may have been incurred in the preparatory work of drawing up plans, etc.

**Similarly the Select Committee felt that the times are not sufficiently propitious and the plans not sufficiently matured to permit the building of the proposed new Infectious Diseases Hospital at the Kowloon Medical Centre.**

The Budget Committee realises that this hospital is recommended in the Technical Hospitalisation Committee's report, 1938-1939, as the first major item in a long-term programme but it feels that, apart from difficulties of providing the necessary building materials, this is not the time or place to embark immediately on this hospital. The sum of $100,000 has however been provided which is larger than the usual "token vote" in case it may be possible in the coming year to make a start.

The provision of funds for the equipment of this hospital has been omitted as it is felt that, apart from the uncertainty which surrounds the hospital itself, there are at least hopes of considerable emergency stores being available during the coming financial year. Under Charitable Services provision has been made for a grant of $10,000 to the British Fund for Relief of Distress in China and under Miscellaneous Services, in response to pressing representations from the University Authorities, the annual grant to the University of Hong Kong has been increased by the sum of $100,000.

### Nightsoil Plan In Abeyance

The Select Committee also brought under review the matter of the institution, at a cost of over four lakhs, of a system of nightsoil removal by labour directly employed by the Sanitary Department. As it is impossible, in present circumstances, to proceed with the complete scheme as recommended by the Health Authorities, considerable doubt was expressed as to whether the benefits to be gained by the substitution of coolies employed by Government for the existing freelance coolies would be commensurate with the expenditure involved: it was decided, however, that the provision for the emoluments of the 2,000 coolies should be allowed to stand in the draft estimates on the understanding that no actual expenditure will be incurred without the specific approval of the Finance Committee after further consideration of the whole matter. There was insufficient time, when this item came for consideration, to reach a final decision on this important question and the Finance Committee desires an early opportunity of a full discussion with the Health Authorities, upon which will depend the question of authorising actual expenditure.

The following are the items which have been omitted or reduced:—

Harbour Department. Personal Emoluments. Crew for New Lighthouse Tender $3,471.

New Lighthouse Tender $600,000.

Medical Department, Equipment for New Infectious Diseases Hospital $103,590.

Public Works Extraordinary. Central Police Station — New Block (Reduced from $800,000 to $50,000) $750,000.

Infectious Diseases Hospital (Reduced from $500,000 to $100,000) $400,000.

### New Duties

Turning to the other side of the picture, the new or additional duties on table waters, hydrocarbon oils and liquor which were imposed with effect from 16th January have necessitated a revision of the estimate of revenue: revenue from Duties will, it is now estimated, amount to $15,690,000 instead of $13,740,000.

**The estimated deficit of $7,553,776 shown in the draft estimates as presented on 16th January is thus reduced to $3,856,715.**

Lastly, I would remind Honourable Members, that every item of Special Expenditure in all departments and every item of Public Works Extraordinary requires the independent sanction of Government apart from the general provision offered by the Appropriation Bill.

**Should revenue fall short of expectations or should expenditure at present unforeseen be incurred that sanction will be withheld.**

Besides thanking, on behalf of the Government and, I think I may say the whole Colony, the Unofficial members for the time and labour which they gave to the preparation of the estimates in their revised form, I should like to express my particular gratitude to the Financial Secretary and to his assistant, Mr. Todd. I am very conscious of my own shortcomings in this respect but I feel sure that Honourable Members will appreciate that during the past few months it has been physically impossible to devote the time and attention that are normally expected of a Colonial Secretary in framing the financial policy for the coming year.

### PETROL RATIONING WARNING

The Hon. Mr. H. R. Butters, Financial Secretary, moving the first reading of the appropriation bill, gave warning that petrol rationing might be necessary. He said:

The duty on light oils, that is on petrol, was increased to 80 cents per gallon on the 7th November, 1940. The object of the increase in petrol duty is, by reducing consumption, to conserve foreign exchange and save tankerage. It is not intended as a revenue producing measure.

**I am authorised to state for the information of Honourable Members and as a warning to the public that if this measure fails in its primary object, namely, to reduce consumption particularly in respect of private cars, the rationing of petrol may have to be introduced.**

The increase in the duty on heavy oils to be used as fuel for heavy oil road vehicles from 30 to 40 cents per gallon and the imposition of a duty of 10 cents per gallon on other hydrocarbon oils (Kerosene) hitherto untaxed, with effect in both cases from the 16th January, 1941, are, as indicated in my speech to this Council on that day, revenue producing measures.

### MR. PATERSON'S BRIEF SPEECH

The Hon. Mr. J. J. Paterson, opening the debate for the unofficials said:—It is usual for the Unofficial opening the debate to deal with those matters on which we are all agreed and in which no other member has any very special interest. This procedure this year leaves me little to say.

We have written Your Excellency about the conduct of some of Government's affairs which we sadly feel to be bad.

**This will we hope be dealt with at another time; we do wonder how it is that, alone of all the Services and unlike the business world, no member of our local Heavenborn is ever dismissed for inefficiency. Perhaps the answer is that none is ever inefficient.**

The budget is a good budget and on behalf of all the unofficials I would like to thank our Financial Secretary for the very great care he has taken of the Colony's finances.

We have suggested the postponement of various works which we believe can very well keep until later and these have been agreed to, I think the result lies on the table. There is one item however which still remains open, the collection of night soil by Government at a cost of $384,000 for coolies only, we firmly believe supervision can be given to the existing arrangement until we can see more clearly what the future holds for us.

### Incomprehensibility

The necessity for Evacuation is at last apparent; I feel that some part of all three parties to it behaved badly, the Colonial Government which failed completely to make proper arrangements ahead of the event, some of the evacuees who continue to complain I think unduly of hardships which when viewed in the bomb-light of Coventry are little enough, and the Home Government when it failed to enforce laws laid down and allowed non cooperation to succeed. A Trinity of Incomprehensibility which reminds me of St. Athanasius, his creed.

### MR. DODWELL ON LIGHT TAXATION

The Hon. Mr. S. H. Dodwell said:—Amendments to the Budget recommended by the Select Committee and agreed to by Your Excellency have considerably reduced the deficit originally foreshadowed by my Honourable friend the Financial Secretary.

Everyone must regret the need for the pruning that has taken place, and must also admit that we lag behind lamentably in the matter of social services. The leeway must be made up as soon as possible, but surely it is nothing less than lunacy to spend large sums on elaborate hospitals and police stations on the surface of the ground while at the same time we are building a network of air raid shelter tunnels under it.

**I am very glad indeed that the Government have agreed to include an extra $100,000 for the University, of which the revenue has been so badly reduced by the fall in the value of the Chinese National Dollar that it can barely carry on in a manner befitting the Colony.**

Our prestige is at stake, and it seems to me we should either run the University efficiently, or not at all.

### Lightly Taxed

My Honourable friend the Financial Secretary considers it inevitable that we increase our War Taxation and favours an Income Tax rather than an increase in the present War Revenue Ordinance rates. Except as regards the Sulary Tax, I am not affected by our local taxation, my Company being registered at Home. My views therefore are perhaps suspect. In comparison with Home taxation the Colony is of course ridiculously lightly taxed.

**At the same time, I am not in favour of increasing taxation on the low level incomes.**

Married men with salaries around say $10,000 per annum are I know finding it increasingly difficult to make ends meet. Cost of living statistics show a very substantial rise and those young married men with evacuated families and two households to maintain, should receive greater consideration in the allowances for wives and children, provided they pay their evacuation maintenance expenses themselves, I am also strongly in favour of exempting charitable contributions from taxation. This is done at Home and if it isn't done here our charities will surely suffer.

### Iniquities Of Bill

I am convinced that a change from the present compromise taxation to a straight income tax would lead to the same unfortunate opposition that it encountered last year. Rather I think we should endeavour to iron out some of the iniquities of the present Bill. There must surely be a great advantage in knowing what revenue it produced on the basis of 1939.

**On that of 1940, even at the same rate, it should produce more, whereas to force an income tax on an unwilling Chinese population might easily lead to our getting less revenue and cost us more to collect.**

During the deliberations of the Select Committee, the conduct of certain Government departments came in for much adverse criticism. My Honourable friend the Senior Member has already dealt with this matter, but I should be lacking in my duty were I not also to stress the extreme seriousness of the many adverse reports and complaints which far too many members of the public have brought to the notice of us Unofficials.

**Unfortunately, few, if any of the serious charges made can be supported by evidence because those concerned are unwilling to come forward for that purpose, but grievances are so numerous that in the interests of the departments themselves, as well as that of the public, an enquiry should be held.**

### Deadly Disabilities

Last year in the remarks I made during the budget debate, I expressed my conviction that the Government was suffering from three deadly disabilities: firstly, their inability to dispense with the services of an unsatisfactory servant: secondly, promotion by seniority rather than ability, and thirdly the higher pay obtaining in this Colony as compared with most others, which reduces to a minimum the healthy transfer of staff from one Colony to another, and breeds a parochial-minded service.

In the Report of the last War Revenue Committee the members, composed of the leading business men of the Colony under the Chairmanship of my Honourable friend the Attorney General, were unanimous in recommending that:—

"Before fresh taxation is imposed to meet this need, a Commission (preferably a Royal Commission) be set up to investigate the whole organisation of civil government in this Colony with a view to ascertaining whether it is possible to effect economies which would permit of a substantial increase in the programme of social services without undue increase of taxation."

### Pressing Need

We realise that the present situation renders it impossible for this recommendation to be carried out, but if the same Committee is reconstituted this year, I hope they will repeat this recommendation in their 1941 report, lest 1940's be pigeon-holed and forgotten.

There is pressing need for a thorough overhaul of a system which has raised the total of personal emoluments to such a fabulous sum that the Colony's taxable capacity in normal times is not equal to also providing what should be provided for our social services.

**The paucity and mediocrity of the executive material available this year to fill the special war time departments has, I think, confirmed my last year's criticism up to the hilt.**

I am quite sure that the executive heads of the Government staffed these departments not with men they considered to be suitable for the jobs, but with senior men they had either to find jobs for or pension off long before their pensionable age. Although they probably won't admit it, they know in their heart of hearts that this is the case. The Prime Minister has made it clear that he wants to rid himself of much of the verbiage and red tape in which the service abounds. Let us pray that, at the end of this war, he will go further, and see that it is placed on a more businesslike and workable footing.

### MR. M. K. LO'S SPEECH

The Senior Chinese Unofficial, the Hon. Mr. M. K. Lo said:—I have very little to say on the Budget now before this Council, which represents the result of the deliberations of the Select Committee to which the Draft Estimates were referred.

It is a matter for regret that certain desirable items have had to be deleted from the Draft Estimates. But, in view of the budgetary position and the uncer-

(Continued on Page 3)

Library, Supreme Court

# WAR TAXATION CONTROVERSY REVIVAL

(Continued from Page 2)

tainty of the immediate economic position, the Unofficials have deemed such exclusions wise in the circumstances.

I personally regret that, owing to the general financial situation, the long-promised rebuilding of Queen's College has once more to be deferred.

My colleagues and I recently made representations to Government as to the imperative necessity of budgetting for a substantial amount in the then coming Estimates, to be allocated entirely to anti-tuberculosis measures and equipment. We felt strongly that much of the already heavy, though necessary, expenditure on the medical side would not be of much avail if the problem of tuberculosis, entailing such widespread illness, distress and mortality, were to be left untouched. Government has replied to the effect that it has been decided to defer a decision on this matter until the return to the Colony of Sir Geoffry Northcote. I hope that before long something will be done in this regard.

## Revenue Figures

I must say I am glad Government has budgetted $150,000 for the establishment of an experimental agricultural station in the New Territories, and I hope that the result of the experiment to be made in regard to the disposal of night-soil in the New Territories, for which $60,000 has been budgetted, will prove satisfactory.

I observe that the actual revenue for 1938 exceeded the estimated revenue by nearly 6½ million; that the actual revenue for 1939 exceeded the estimated revenue by over 5¼ million; and that the revised estimate of revenue for 15 months in respect of 1940/41 exceeded the original estimate by over 16 million. I can only hope that the current estimated revenue may happily prove to err in the same direction for the current year, so that funds may be available for so many important projects and social services.

In the Budget Debate held on the 9th November, 1939, I renewed, for the third successive year, a plea that Government might be kind enough to make a substantial grant for providing charitable and medical relief to the Chinese on account of the Sino-Japanese conflict. I am indeed happy that the Select Committee, with the unanimous approval of the Unofficial Members, has agreed to put in, under Head 5 Charitable Services, a donation of $10,000 to the British Fund for the Relief of Distress in China, Hong Kong and South China Branch. I feel sure, Sir, that this gesture will be very much appreciated by the Chinese, and my colleagues and I tender our sincere thanks to Your Excellency.

## Budget Speech

Sir, in the extremely able and lucid speech of my Honourable friend the Financial Secretary, in introducing the Budget, there were certain observations on the War Revenue Ordinance with which I must deal. But, before doing so, may I say how much impressed I have been by the way in which he has carried out his onerous duties as Financial Secretary during the difficult and turbulent times through which the Colony has passed since the departure of his distinguished predecessor? I venture to say that the frankness and candour with which he has always treated the Unofficial Members of this Council, and the courage, ability and devotion to the financial interests of the Colony, which characterise all his official actions, have won their united confidence, admiration and respect.

Now, to return to the Honourable the Financial Secretary's observations.

The Honourable the Financial Secretary, in his Budget speech on the 16th January, 1941, quoted some remarks he had made when he introduced the War Revenue Bill in this Council in March of the preceding year. These remarks I can only describe as damning the Ordinance with faint praise. He proceeded to say that Government felt "in view of the change in the financial position and the situation disclosed by the actual receipts from the four War Taxes that the principles on which the taxation was based should be reconsidered".

Now, what are the facts? After one of the bitterest controversies which the Colony has ever known, the Bill was introduced to this Council on the 14th March, 1940, with the unanimous general approval of this Council. The statements published from time to time in the Press as having been made by the War Revenue Department that the levying of the taxes was proceeding smoothly would appear to point to the gratifying fact that the hope expressed by the War Revenue Committee, and re-echoed in this Council, that there should be no attempt at evasion in view of the purpose for which the proceeds of the taxes were to be used, has been fulfilled.

## Revised Estimate

Although the yield under this Ordinance was originally estimated to be six million, the revised estimated yield is nearly ten million (which, incidentally, is the amount of the estimated yield for the full Income Tax Bill), and this in spite of the fact that it is universally accepted that the yield of a tax of this kind can never be brought to full fruition during the first few years.

Personally I should have thought that such an unexpected and gratifying result of a measure which had received such striking unanimity of support in this Council would have merited an acknowledgment from Government more gracious and fitting than the strictures which the Honourable the Financial Secretary felt bound once more to pass on it.

The Honourable the Financial Secretary observed that far be it from him "to seek to resuscitate a controversy which is dead and buried". I am entirely with him in this attitude. But may I remind Honourable Members of certain facts and circumstances in regard to the introduction of the War Revenue Ordinance?

On the 4th December, 1939, Mr. Caine addressed a letter to each member of the Committee, in which he stated:—

"I enclose some 'suggestions' for a draft report of the Income Tax Committee. I am not circulating them as an official Committee document because they represent what I hope the Committee will be prepared to agree to rather than what has so far been agreed. In view, however, of my approaching departure I thought it might be helpful to put my own ideas on paper."

Let me, then, quote from certain relevant paragraphs of his report:—

"3. . . We examined a great many suggestions. . . . We rejected, either unanimously or by substantial majorities, by far the greater number of these proposals because they either did not fulfil the conditions laid down by our terms of reference or would yield revenue too small to justify their imposition. "4. . . The best alternative means of imposing taxation of approximately the same incidence as the proposed Income Tax appeared to be a combination of taxes assessed on property, on salaries and analogous incomes and on business profits made in the Colony on bases and at rates calculated to impose very broadly the same degree of sacrifice on the several classes of persons affected. Such a combination of taxes would constitute a partial income tax, covering much the greater part of the income which would be liable to a full income tax but freed of many complications owing to its being partial in scope and only approximately adjusted to individual ability to pay. In particular much of the enquiry into personal circumstances which is apprehended from the administration of income tax should be avoided. .

"6. It is if anything more difficult to assess the probable annual yield of these taxes than that of an income tax, but the estimate of Mr. S. Caine, then Financial Secretary, was as follows:—

| | |
|---|---|
| Corporation Profits Tax) Business Profits Tax ) | $3,000,000 |
| Salaries Tax | 1,000,000 |
| Property Tax | 2,000,000 |
| | $6,000,000 |

In comparing this with the estimate of $10,000,000 from a full income tax it should be remembered that

(a) Income subject to United Kingdom Income Tax is almost entirely exempted under the new Bill. Several important companies are thus outside its scope altogether.

(b) Profits tax will be applied only to profits made in Hong Kong, whereas income tax would have applied to all profits of resident persons, including companies registered here, wherever made.

(c) Other income from abroad will not be taxed at all under the new Bill.

## Reasonable Burden

It was, however, repeatedly emphasised by the official representatives on the Committee that Government was not seeking to raise any particular sum of money but to impose a reasonable burden of taxation and we consider that the rates of tax proposed do impose such a reasonable burden.

"8. We therefore recommend that Government should proceed with measures on the lines of the attached Bill. If the revenue obtained is inadequate consideration should be given to the adoption of some or all of the items referred to at the beginning of paragraph 4; . . . ."

In a note prepared by Mr. Caine on "Principal differences between the 'War Revenue Bill' and the 'Income Tax Bill'" he states:—

"1. GENERAL.

"An Income Tax seeks to tax every source of each individual's income and to make allowances for his family responsibilities and other individual circumstances. Although much may be collected at the source it is ultimately an individual tax and may entail much enquiry into personal affairs.

"The new Bill proposes to take each of the main classes of income separately and tax them at rates adjusted only approximately to capacity to pay. At some sacrifice of the refinements of an income tax it thus avoids many problems which arise in the administration of those refinements and removes some of the features of income tax which are objectionable to the public."

Such, Sir, were the views of Mr. Caine. He had made it plain that he was in favour of a straight income tax measure. But he himself was the author of the Ordinance now in force, and he put it forth as a compromise measure without any trace of reluctance, and certainly without any misgivings as to there being any inequity in its incidence.

The Honourable the Financial Secretary said: "Although the War Revenue Ordinance has secured considerably more revenue than was anticipated it has failed to secure enough to meet the revised war expenditure either in the current year or in 1941-42".

## Contrary Stand

Pausing here I should like to point out that the position he now takes up is fundamentally opposite to that taken up by Government hitherto. As I pointed out in this Council on the 14th March, 1940, His Excellency Sir Geoffry Northcote, in his speech in this Council on November 16th, 1939, made it quite clear that Government did not determine to raise a war budget revenue in any pre-determined sum: in other words, the Government's attitude was that as regards war expenditure, that expenditure was to be limited to the sum obtainable by the War Revenue Ordinance, and not that the Colony had to find a specified amount.

The Financial Secretary points out that according to the revised estimate, salary tax will bring in $1 000,000 as was anticipated: property tax $2,300,000 as against $2,000,000 as was anticipated: whilst corporation and business tax should bring in $6,400,000 as against $3,000,000 anticipated. But he adds, as regards the latter item: "This figure includes not less than $5,500,000 in respect of corporation profits and only $900,000 in respect of business profits, which is disappointingly small. . . ."

Sir, this is the whole case for suggesting that the principles on which taxation is based should be reconsidered. I can see no ground for surprise that the business profits tax should yield something just under one million, as against the unexpectedly larger yield of corporation profits. Mr. Caine never attempted anything more than a guess of the combined yield of the corporation and business profits tax, for the simple reason that there were no accurate data available. Nor can I see how the yield of the taxes as above indicated can afford any evidence that the incidence is not spread fairly over the community. It may well be that, in order to produce more revenue, some alterations will have to be made in the Ordinance. As I do not wish to anticipate in any way the findings of the Committee which Your Excellency has reconstituted I abstain from further comment.

## Serious Criticism

I regret that I now come to a point of serious criticism against the administration of the War Revenue Ordinance. In the Report of Mr. Caine, to which I have referred, he made it quite plain that "Partnerships will be assessed as a whole and no enquiry whatever will be necessary into the division of profits between partners". The Honourable the Financial Secretary himself, in introducing this Bill in March, 1940, said:

"The third and fourth taxes are respectively a corporation profits tax . . . and a business profits tax on profits made in the Colony . . . which is levied on the business and not on individual persons so that no enquiry as to the ownership of the business and the division of the profits is involved. There is, in the circumstances, no deduction in respect of personal and family allowances. . . ."

In spite of the history of this matter, and of the official declarations to which I have referred, I am sorry to have to state openly in this Council that examiners have sought to get Chinese firms to disclose the names of the partners constituting the firms. I should have thought it impossible that any Government official would proceed counter to one of the fundamental bases of the taxation, and I look to the Honourable the Financial Secretary, as the Commissioner under the War Revenue Ordinance, to see to it that his subordinate officers do carry out completely the spirit of the framers of the legislation, in accordance with the solemn declarations of Government.

The Honourable the Financial Secretary has intimated that Government proposes to increase the Death Duties. I appreciate that Honourable Members will have an opportunity of discussing this question when the necessary amending Bill as before this Council. But in the meantime I wish to make a few general observations.

The Report of the Taxation Committee published as Sessional Paper No. 2 1939, contained the following observation on the question of Death Duties:—

"Any further revenue under this head should be obtained by an increase in the rates of Estate Duty rather than by the introduction of other methods of taxing property on death, e.g. Legacy or Succession Duties; but we consider the present rates, which were fairly recently increased to a maximum of 20 per cent., high enough in the circumstances of Hong Kong, where the much higher rates prevailing in, e.g., the United Kingdom, would add greatly to the incentive to evasion."

That report was dated 5th April, 1939, and I am not aware of circumstances which have arisen between then and now which render that deliberate expression of view no longer sound.

## "Excessive Zeal"

As to how far evasion of death duties exists I do not feel competent to speak. But of this I am quite certain. If evasion could be prevented by zeal and vigilance, it would have been effectively stopped by now, because I can imagine no one possessing greater zeal, and exercising greater vigilance, than the present holder of the office of Superintendent of Inland Revenue and Estate Duty Commissioner, for whom, if he will allow me to say so, I hold a high regard. Indeed, I go further and say that it is the deliberate view of the legal profession as a whole that the zeal and vigilance exhibited by this conscientious officer have been so excessive in many cases as to occasion unjustifiable delay, inconvenience and expense to bona fide applicants for legal representation.

The powers conferred on the Estate Duty Commissioner for investigating every estate are necessarily wide. But I suggest that in wielding such great powers regard should be had to the presence or absence of grounds for suspicion of evasion of duty, and that under normal circumstances the Estate Duty Commissioner should not attempt to reopen and resuscitate matters adjudicated upon a long time ago.

It should be well known to Government that family inheritance has always constituted a very important part of Chinese family life, and I do submit that excessive rates of levy, undue delay in obtaining legal representation, and harsh administration of the Estate Duty Ordinance, all constitute great incentive to evasion.

## Administration

Sir, the Unofficial Members of this Council, as well as the Chinese Members of Councils, have had occasion to make various representations to Government on certain aspects of Government Administration during the past year. Pending their final outcome I feel it my duty to make a few general observations.

To begin with I wish to say a few words on the question of Food Control.

The task of a Food Controller is obviously one of very great difficulty, and due allowance must be made for the fact that many things would have to be done in a hurry.

I submit that the indispensable qualification of any Food Controller must be some commercial knowledge and experience, and, however well qualified in the theory of economics and conscientious in the discharge of his duties, the present Food Controller has had no commercial experience.

The record of his administration has not inspired confidence that in an emergency all will be well as regards the question of food supply, and I record in this Council my grave doubt as to his ability in turning over certain reserve food stocks—though the quantities purchased are infinitesimal to the quantities originally proposed—without very serious losses arising.

We know that the Food Controller has now delegated his powers in regard to rice to a business man more conversant with the subject.

## Firewood Ramp

I come now to the question of Firewood.

I understand that Government has at long last taken, or is taking, definite steps for the importation of firewood into the Colony. The Chinese Members of Councils had urged Government to take such a step even before His Excellency Sir Geoffry Northcote left the Colony on leave. On August 3rd, 1940, a memorandum on this question was sent in to Government, wherein it was urged that Government should requisition steamers for the purpose of importing firewood into Hong Kong. I feel hat the Chinese community has every reason to be dissatisfied with Government's inactivity, over such a lengthy period, in relieving the acute shortage of firewood, which has caused so much hardship to the community, especially the poor.

Another matter, Sir, which has given rise to grave dissatisfaction, is the administration of the Immigration Ordinance. When I spoke in this Council on the Second Reading of the Bill I thought that the effect of this measure on the Colony depended very largely on how it would be administered by the Immigration Officer, and I then stated that my colleagues and I intended to maintain a close interest in the operation of this measure, and that we should have no hesitation in making to Government any representations which we might consider it our duty so to do.

I know that the Immigration Officer has not spared himself in the discharge of his very difficult duties. But I do say that whatever may be the explanation, the Chinese community cannot be expected to acquiesce in the continued administration of a measure which compels people to wait for long hours outside the Immigration Office, herded together like cattle, in order to get a permit or to get back a deposit.

## Sheer Rudeness

Apart from the question of administrative machinery there have been numerous complaints of sheer rudeness and offensive conduct on the part of the officers of this Department. 'Civil Servants should be civil servants' may be a familiar witticism, but I suggest that it embodies a wholesome admonition to which Civil Servants in Hong Kong should pay serious heed. A most unfavourable impression has already been created on visitors to the Colony. And I do seriously appeal to officers of the Immigration Department to remember that they are being paid by local taxpayers to perform their duties and not to show off their own importance.

## Complex Problem

Sir, I do say deliberately that either the administration of the Immigration measure is radically improved—and I submit that it can, and should, be improved—or that measure should be dropped altogether.

Sir, you have assumed the administration of this Colony during a period which is one of the most critical periods of the British Empire. It is not surprising that the difficulty of the situation should have its repercussions on the Colony. The Chinese community gratefully appreciates your concern and labour for the well-being and security of the Colony, as exemplified by your initiative in providing the population with air raid shelters, in the construction of which you have taken such a keen personal interest. Since your arrival in the Colony the Chinese Members of Councils have had to make numerous representations to Your Excellency, and on their behalf, and also on my own, I desire to tender to Your Excellency an expression of our deep gratitude for the sympathetic manner in which you have invariably received those representations, and your ever-ready desire to give effect to them as far as possible.

May I, Sir, also tender our thanks to the Honourable the Colonial Secretary for the invariable courtesy which he has shown to the Unofficial Members. My colleagues and I desire to pay warm tribute to him for the conspicuous ability which he has shown as Your Excellency's chief adviser, which is such a well known characteristic of our esteemed Colonial Secretary.

My colleagues on this Council desire

(Continued on Page 8)

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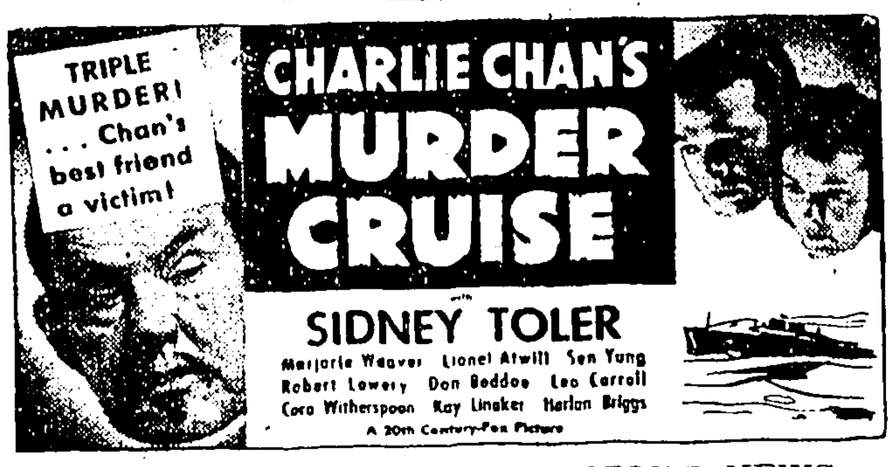


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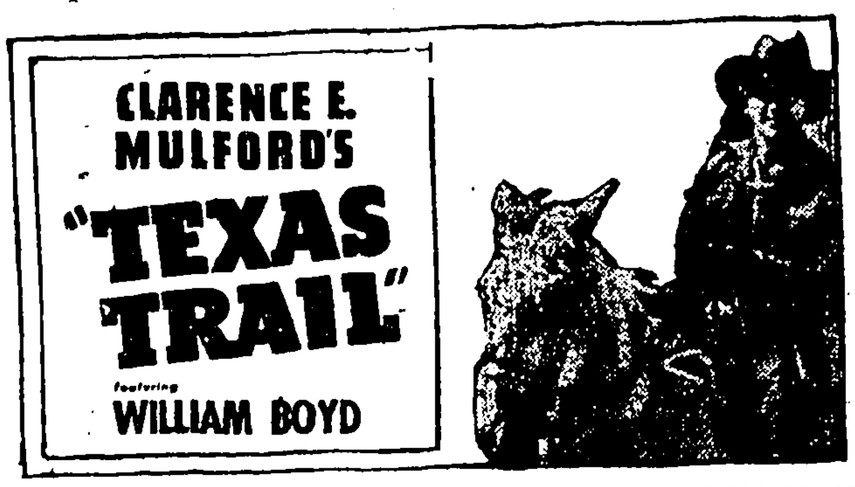


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TO-MORROW : Edward G. Robinson, Ruth Hussey in
M-G-M Picture : "BLACK MAIL"

# BRITISH PARACHUTE TROOPS GIVE DISPLAY FOR HIGH COMMAND

**MANY GENERALS and R.A.F. officers and their staffs, including General Sir John Dill, Chief of the Imperial General Staff, General Sir Alan Brooke, Commander-in-Chief of the Home Forces, Air Marshal Sir Arthur Barratt, Air Officer Commander-in-Chief, Army Cooperation Command of the R.A.F., and General Viscount Gort, were present at parachutive exercises on the moorlands yesterday, states the Air Ministry news service.**

Over a bleak stretch of moorland an R.A.F. troop carrier emerged from the clouds and suddenly the officers saw parachutists dropped from it one after another.

Before the 'plane had disappeared into the cloud again all the men had landed, unharnessed their parachutes and silently prepared to attack a remote and vital enemy objective, which was a small imaginary factory, where it was known that a high personage and some of the most senior officers of the enemy High Command were to watch a private demonstration of a new weapon being made there.

While this gathering of Britain's leading Army and Air Force commanders was waiting on the moor an R.A.F. troop carrier unobtrusively came through the clouds in bad weather, demonstrating the surprise nature of the attack.

In accordance with a prearranged plan, the troops, weapons ready for action, rushed to the factory which, though isolated, was guarded by sentries and employed about 50 civilian workers.

### Most Impressive

It was assumed, for the purpose of the exercise, that the greatest care had been taken by the enemy to preserve the secrecy of the rendezvous, and it was the duty of the parachutists to surround the objective until the arrival of more to act as demolition parties in the destruction of the factory machinery and military personnel.

The exercise was most impressive and showed the potentialities of this method of attack. It also proved the efficiency of cooperation between the R.A.F. and the Army.—Reuter.

## BRITAIN FREES ANTI-NAZI NO. 1

THE GATES OF A BRITISH INTERNMENT CAMP HAVE JUST OPENED TO RELEASE ANTI-NAZI NO. 1.

After five months behind barbed wire, Mr. Stern-Rubarth, author of "Exit Prussia" and once one of the greatest powers in Germany, has won his freedom.

He is the first person to be released under Section 19 of the Act, which allows tribunals to set free men who, "by speech or official or political activities, have taken a prominent part in the opposition to the Nazi system."

## LION OF JUDAH IN CONTROL OF GOJJAM PROVINCE

**DANGILA, 40 MILES south-west of Lake Tana, the fall of which was briefly reported on Tuesday, strategically controls the whole of Gojjam province.**

The Italians had stationed there a Black Shirt division, with other white troops, though it is doubtful whether these troops were there when the town fell.

Abandonment of the town on Monday was the result of guerilla pressure during the past few weeks by Haile Selassie's patriots led by a British officer.

They on occasion approached to within a few feet of the town's strong defences. Five days of close attacks followed.

As the final blow was struck cooperation with the R.A.F. and messages received from 'planes enabled the patriots to capture some members of the garrison as they left during the bombardment.

Remainder of the garrison are retreating north-east towards Bahrdar Giorgis, a town on the southern point of Lake Tana, and are being harried by a small Abyssinian force.

### On Edge Of Plateau

Dangila stands on the edge of the northern escarpment of the Abyssinian Plateau, 7,000 feet up at the junction of old caravan routes to Addis Ababa from Galabat, on the Sudan border, and from Roseires, on the Blue Nile, in the Anglo-Egyptian Sudan.

The population is small but since the Italian occupation roads built along the caravan routes have facilitated the exchange of local products, wheat, barley and coffee, with goods from other centres.—Reuter.

## ABYSSINIAN WOMEN AMONG THE PATRIOTS

Some Abyssinian women are fighting alongside their menfolk in the ranks of the Abyssinian patriots.

This was revealed last night by Princess Tshai, daughter of Haile Selassie, in a broadcast speech from London.

The Princess, who appealed for gifts of clothing for Abyssinian fighters, has lived in Britain for five years in exile.

She announced she hoped shortly to join an ambulance unit which is leaving for Abyssinia under the leadership of an Australian surgeon. — Reuter.

## A FAMILY AFFAIR—

Corporation buses and trams are becoming family affairs in Leeds.

It is quite common to find that driver and conductress are uncle and niece or father and daughter. Soon there will be husband and wife.

Miss Marjorie Townsend, whose job is placing the girls when they finish their training, told a reporter: "We found one difficulty was getting the girls home after late duties. If we put them with a relation, that is solved."

## BURMA APPLAUDS TROOPS IN AFRICA

The Burmese Senate yesterday unanimously passed a resolution expressing intense satisfaction at the glorious successes of the Imperial troops in Africa and desired heartiest congratulations to be conveyed to General Wavell, General Wilson and Admiral Cunningham. — Reuter.

## WANG CHING-WEI'S BROTHER PASSES

(SPECIAL TO "CHINA MAIL")

Wang Im-ping, secretary of the Canton Government and brother of Wang Ching-wei, died in Canton on February 9, according to the local press yesterday. The cremation will be held on Saturday.—Reuter Special.

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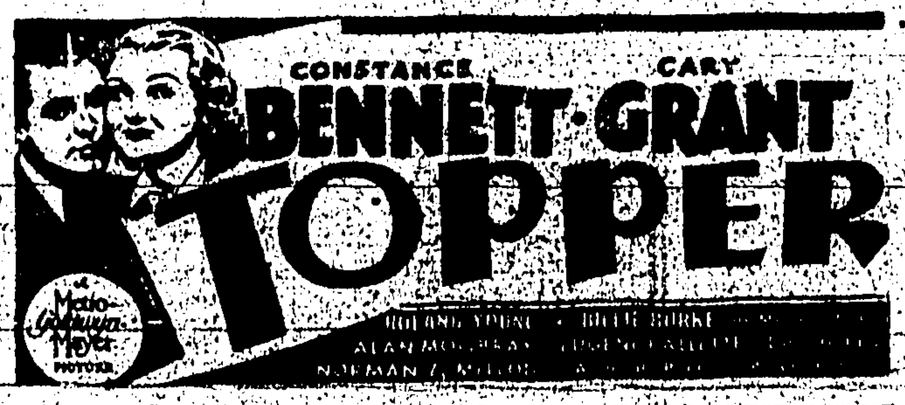
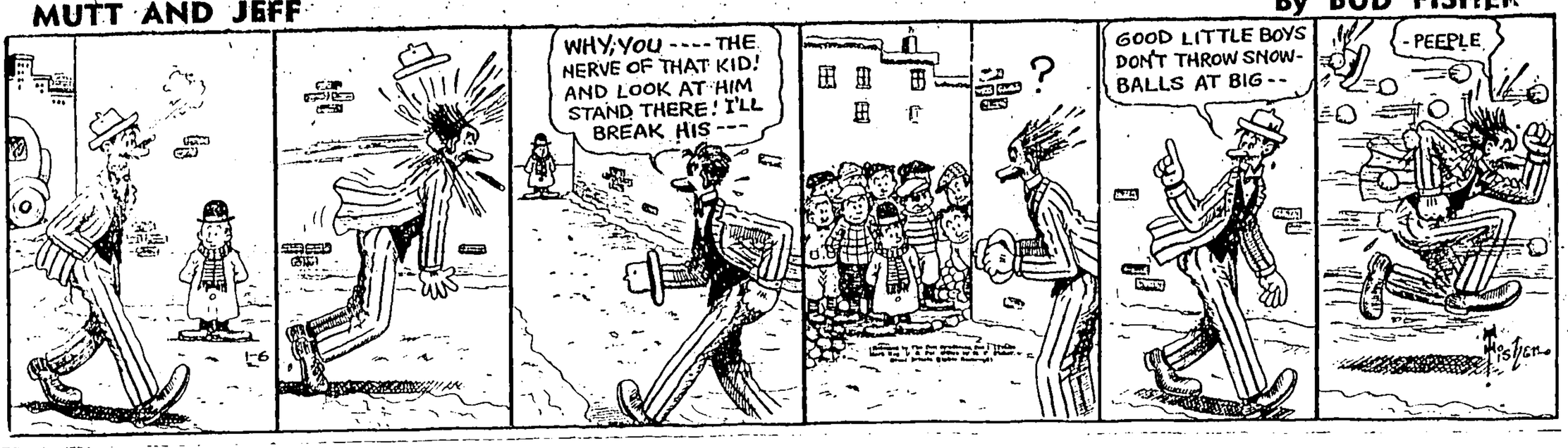



TO-MORROW :- "DEVIL DOLL" MGM Picture

MUTT AND JEFF

By BUD FISHER




# NAZI ANNOUNCER GETS WHAT HE ASKED FOR

**A NAZI BROADCAST invitation to Americans to send "receiver to pay" telegrams to Berlin, stating the kind of programmes they would like from Germany, has had an amusing sequel.**

Thousands of people swamped telegraph offices where extra staffs were needed. Messages to Berlin were sarcastic, and sometimes downright anti-Nazi.

The staff of one New York firm spent $50 of Germany's money asking for broadcasts on Hitler, Goering and Goebbels singing "Say it isn't so" and cat and dog meat quotations from the Berlin Bourse.

**Others asked for bomb by bomb descriptions of R.A.F. raids on Berchtesgaden.**

Berlin radio, in its latest broadcast, asked for the messages to be continued, states the Columbia Radio Company.

THE ANNOUNCER REQUESTED THAT NO CRITICISM SHOULD BE SPARED BUT "IF YOU HAVE ANY PRAISE TO OFFER WE SHOULD BE ONLY TOO GLAD TO RECEIVE IT."—REUTER.

## SEEKING A.R.P. DUTY PLEDGE

Part-time civil defence volunteers may shortly be asked to put in extra hours at the r posts. There will not, for the present, be any suggestion of compulsion.

Mr. Herbert Morrison, the Home Secretary, is now reviewing the strength of the services to secure that it may accord with needs, and he hopes to equalise the burden on them by means of an undertaking from all to work a minimum number of hours when asked.

These statements are made in a written Parliamentary reply which turns down a proposal by Mr. Mabane, M.P., for compulsory A.R.P. service for all men.

An official of the Ministry said Mr. Mabane was alluding only to people in the Civil Defence Services.

## "USING HITLER METHODS"

Protests are being made by the municipal and railway workers of York that authorities are using "Gestapo methods" in dealing with people who express certain opinions.

The municipal workers complain of a City Council resolution concerning conscientious objectors employed by the Council, which, they say, renders them liable to dismissal if they express pacifist views.

**The railwaymen allege that as a result of a secret police report, a railway worker and his two sons have been refused permission to join the York L.N.E.R. Company of the Home Guard.**

The York Free Church Council and the Society of Friends have protested to the Council against the resolution on objectors, and Alderman W. Dobbie, M.P. for Rotherham, is to raise the matter in the House of Commons.

**So far only two members of York Corporation staff have been dismissed because of their pabifist views. Both are conscientious objectors who have been before a Tribunal and have been granted exemption from military service.**

One has taken out a summons against the Corporation for wrongful dismissal.

### Question in Commons

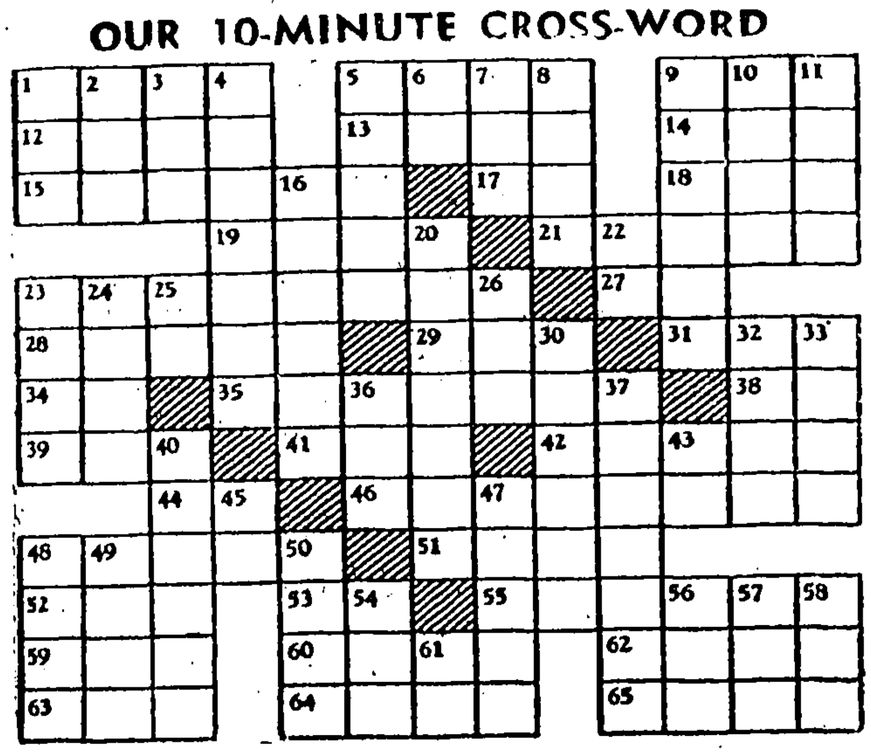
Alderman Dobbie, who is a former Lord Mayor of York, is supporting both protests.

**He intends asking the Home Secretary if he will order the police to submit a copy of their report on the three railway workers to the men concerned, or to the secretary of their branch of the National Union of Railwaymen.**

"The railwayman who has been refused permission to join the Home Guard is a personal friend of mine," Mr. Dobbie told a reporter. "He has never been a member of any organisation except the Labour Party and his trade union. His views are no more pronounced than mine.

"Neither the man nor myself has been able to get any information about the report. No wonder people are talking about the Gestapo being at work in York."

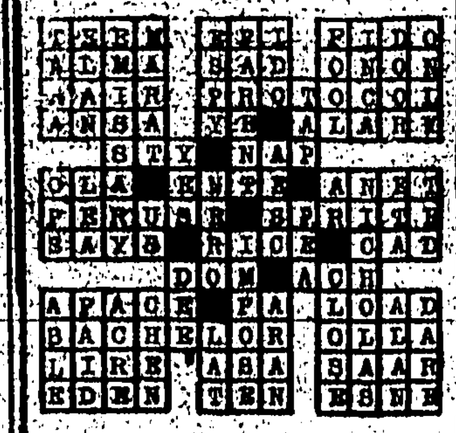
## OUR 10-MINUTE CROSS-WORD



HORIZONTAL
1 Barren
5 The orient
9 To imitate
12 To rant
13 Solo
14 Music: three
15 Abysses
17 Note of scale
18 Possesses
19 Equal
21 Faithful
23 To place in comparison with
27 Upon
28 Purpose
29 Prevarication
31 To request
34 Soel
35 Legendary founder of Rome
38 Periodic windstorm
39 Conclusion
41 Humorist
42 Damp
44 Babylonian deity
48 Long gaiters
49 Capital of Bulgaria
51 Tiresome
52 Pronoun
53 Sun god
55 Naval officer
59 Man's name
60 Southwestern Indian
62 Cloak
63 Tunisian ruler
64 To crowd together
65 To clean

VERTICAL
1 Bow
2 Cheer
3 Yellow bugle
4 To lose hope
5 Painter's stand
6 Land measure
7 Title of respect
8 Chinese money
9 Daughter of Zeus
10 Wampum
11 Gaelic
16 Jolly
20 Disproved
22 Butterfly
23 Wan
24 English river
25 Sun god
26 Gypsy pocketbook
30 To commit robbery
32 Tune
33 Solutions
36 Wire measure
37 Seamen
40 To bear the expense of
43 Preposition
45 Sloth
47 Joshed
48 Food-fish
49 Bacteriologist's wire
50 Roguish
54 Part of "to be"
56 To clip
57 Sleeveless garment
58 Pen-point
61 Teutonic deity

YESTERDAY'S SOLUTION



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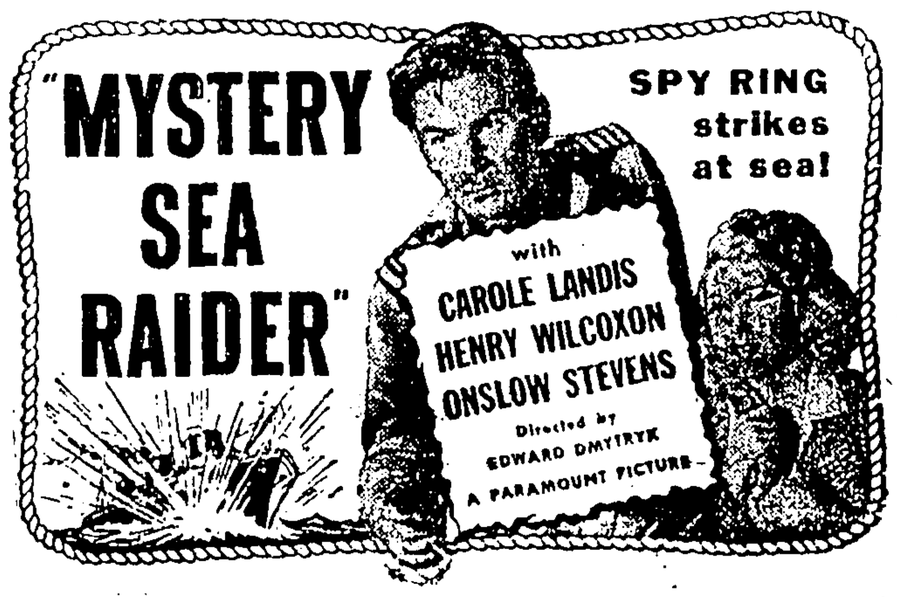


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# Tokyo Protests To Be Totally Disregarded

**A LETTER FROM Admiral Stark, Chief of Naval Operations, suggesting that any Japanese protest at United States naval defence measures should be "totally disregarded," was read by Mr. Carl Vinson, Chairman of the Naval Committee of the House of Representatives, yesterday.**

The Committee was beginning the debate on the $244,000,000 naval base development programme.

Admiral Stark pointed out in his letter that the House last year defeated a similar project for defence work at the island of Guam "because Japan might take offence."

He continued: "It is inconceivable to me that Japan could or would take offence at any such inoffensive measures."

If she did, then the protest would be "unwarranted and should, in my opinion, be totally disregarded."

### American Property

Admiral Stark emphasised that Guam was American property, saying: "Our actions should be determined by what is best for the United States and not dictated by any foreign power."

The House will almost certainly approve proposed expenditure of $4,700,000 for bomb shelters to make Guam harbour usable by seacraft and aircraft and to develop Guam as a naval aviation outpost.

Expenditure of $8,100,000 for similar purposes at Tutuila Island, in Samoa, will also be approved, it is expected.

### On Tiptoes

Mr. Vinson also read a letter from Col. Frank Knox, Secretary of Navy, emphasising that the Guam project is "of particular importance to the Navy."

Mr. Vinson prefaced his remarks by stating that the country could rest assured that "all hands in the Navy are on tiptoes ready for any emergency they may be called to meet."

The Committee tentatively approved the section of the naval base development programme authorising expenditure of an additional $66,050,000 for the development of the Atlantic bases acquired from Britain.

This is considered as the first step towards congressional ratification of the "destroyers for bases" deals.

### Measure Passed

Later.

The House of Representatives has passed a measure authorising the expenditure of US$244,000,000 on the development of naval bases, states Reuter's Washington correspondent.

The measure now goes to the Senate.

The bases to be developed under the Bill include Guam and Samoa and the Atlantic sites acquired from Great Britain. —Reuter.

## PRESSURE ON RIVER JUBA LINE

Increasing British pressure on the lines of the River Juba, in Somaliland, was announced in a communique issued in Nairobi last night.

The communique says enemy counter-attacks were repulsed, with 40 enemy dead, including 10 Italian officers.

Despite long distances over bad roads transport drivers are successfully maintaining schedules and bring forward the necessary water, ammunition and ration supplies.—Reuter.

## CONVOY ATTACK QUERY

Recent German claims to have inflicted heavy losses on a British convoy were dealt with in the House of Commons yesterday arising from a member's invitation to make a statement on the reported loss of 13 vessels and whether those vessels were under protection.

Mr. A. V. Alexander, First Lord of the Admiralty, replied it was not possible to answer such a question without assisting the enemy, and in the meantime the questioner should not assume that reports broadcast by the enemy are correct.

Mr. Emanuel Shinwell (Lab) asked whether it was not the case that a full report had appeared in the American press and the statement had also appeared that this very important convoy had no protection whatever.

Are these facts not well enough known to the enemy? he asked.

Mr. Alexander replied: "Mr. Shinwell is in error in assuming that the enemy's statement was correct.

"It is a statement I do not accept any more than I accepted the report in the case of a previous convoy in the Atlantic, where enemy claims were grossly exaggerated."—Reuter.

## DEATH OF SIR JOHN THOM

Lt.-Col. Sir John Thom, Chief Justice of the Allahabad High Court, died yesterday, says Reuter.

## MR. BUTTERS LEAVING ON FURLOUGH

The Hon. Mr. H. R. Butters, Financial Secretary, will be leaving the Colony on furlough within the next few days.

His place is to be filled by Mr. R. R. Todd, Assistant Financial Secretary.

## MALAXA WORKS SEIZED

The important Rumanian Malaxa railway and armament works have been completely taken over by the State under a decree issued yesterday.

The decree provides that the remaining 50 per cent. of the shares become State property, the other half having been taken over on January 28.

*M. MALAXA, THE ARMAMENTS KING AND HEAD OF THE FIRM, WAS PLACED UNDER HOUSE ARREST BY GENERAL ANTONESCU LAST YEAR BUT HIS PRESENT WHEREABOUTS ARE UNKNOWN.*

M. Malaxa is regarded as General Antonescu's chief opponent. —Reuter.

## DEATH OF MRS. LESTER LITTLE

(SPECIAL TO "CHINA MAIL")

Alice Joy, wife of Mr. Lester K. Little, Commissioner of Customs in Canton, and well-known throughout China, died on Tuesday after a short illness.

Mrs. Little was very popular especially at Lingnam University, where she was a member of the faculty prior to marrying less than a year ago.—Reuter Special.

# NO PROGRESS IN ANGLO-SOVIET NEGOTIATIONS

**NO FURTHER PROGRESS in the Anglo-Soviet negotiations could be reported by the Government spokesman when questioned in the House of Commons yesterday.**

Mr. R. A. Butler, Under-Secretary for Foreign Affairs, said that since his last answer some weeks ago matters had not been carried further by the Soviet Government.

Mr. Frederick Cocks (Lab.) argued that as there was so little difference between de jure and de facto recognition of the position in the former Baltic States, such a small thing should not be allowed to interfere with the establishment of better relations between Britain and Russia.

Mr. Butler: "There are not only small but certain large issues involved in this question and I cannot take it further at present."

Mr. Butler did not reply to a supplementary question which implied, firstly, that Russia is terrified of Germany, and secondly, that the British Ambassador in Moscow should be brought back to report to a secret session of the Commons.—Reuter.

CHINA MAIL
WINDSOR HOUSE

## SOVIET POLICY

Latest developments seem to clear up once and for all the question as to which side of the fence the Soviet Government is on at the present time.

The Soviet Union is helping Germany in the same way the United States is helping Great Britain. The cost for the Soviet Union, however, is far greater, for in the case of many products, particularly food, the Soviet Union has not had any real export surpluses for the last ten years, and any exports of grains will be made directly at the expense of the Soviet population, who will have less for themselves.

If the Soviet Union is helping Germany carry on the war, as seems to be the result of the new commercial treaty, it is strange that the United States, which has refused to send supplies to European nations for fear they might fall into German hands, should continue to send supplies of exactly those materials which the Soviet Union is sending to Germany. These strategic materials and machine tools build up the Russian supply so that the Soviet government is able to send more to Germany.

For those persons who still believe that the United States should adopt a policy of appeasement toward the Soviet Union, the latest agreement provides an interesting illustration as to how the Soviet government reacts to kindnesses. Thus far the United States government has sought in vain to have the Soviet government acknowledge its responsibility for the property of American citizens or companies which were lost through the seizure of Poland, the Baltic states and eastern Rumania. On the other hand, by the terms of the new Soviet-German agreement, the Soviet government agrees to take over all the debts of the three Baltic states in connection with the withdrawal of the German population.

## DRUMS IN ETHIOPIA

Bombs crash on Catania from Benghazi but for the Italians the most ominous sound in the Dark Continent may be the throb of the war drums across Ethiopia. They are heard now from Galla to the Harar Hills and even in the forts of Addis Ababa. Every night their rhythm fills the air. They herald the end of the rainy season, and the message they spell out for listening tribesmen is "Arise and fight!"

Just inside the Ethiopian border, Haile Selassie sits again on his throne, a wooden throne, to be sure, but hung with royal purple. So on the borders of his lost empire, he seems a sterner figure than the pathetic and unwelcome refugee flitting through English health resorts before the war. Once more, in the eyes of his people, he is the Lion of Judah, reviewing his troops and distributing English arms to his followers. The drums are his.

This time the Lion of Judah hunts with the British Lion. Cut off from their homeland, precariously settled in an unfriendly wilderness, Il Duce's colonists do not like these echoes in the night. They are reported to have asked refuge for their civilians in French Somaliland. Apparently, the storm is gathering over Ethiopia. Already lightning flickers in the sky.

# Dr. Benes On Democracy And Dictatorship

### By T. A. RAMAN

(Noted journalist, at present in London as an observer.)

"A German invasion of Italy is a possibility and a distinctly practical possibility."

That is the view of Dr. Edouard Benes, expressed to me in an interview.

"I have been very agreeably surprised indeed by the news from Greece," said Dr. Benes. "From the first I recognised that the invasion was a blunder on Mussolini's part, but I could not feel certain that it was as serious a mistake as it has proved to be.

"All Dictators are bound to take some such false step at some time or other; that is inevitable. Now it seems possible that Mussolini has made that fatal blunder which may be the undoing of his regime.

"We have always, however, to bear in mind the possibility of a German invasion of Italy. Hitler might be impelled to safeguard his position by swooping down on Italy when the Fascist regime is visibly tottering."

To my question as to how long he thought the war would last, Dr. Benes answered decisively: "The German collapse will come probably in the Spring of 1942. Allied war-effort will rise to its crescendo next summer and American support begin to tell decisively.

### "The Rot Will Set In"

"A combination of blockade and heavier air offensives through 1941 will steadily exhaust German resources and sap the morale which has been keyed up to such a pitch for so long. France and the other occupied countries will increasingly resist. The rot will definitely set in, and by the Spring of 1942, we may expect a collapse."

The world knows and honours Dr. Benes as an apostle of democracy, and so I asked him whether he would care now to restate his faith in Government by the people.

"Yes" he replied emphatically. *"More than ever before I am convinced of the necessity of Democracy for all progress, and certain of its final victory. This war more than others has proved that democracy is the key to all the precious values of life.*

It was for this reason too that the assault of Nazism was directed first against the democratic idea because it would be only across the body of democracy that Hitler could pass to secure his ultimate objects.

"It is indeed true that democracy has not yet reached its fullest stature. The economic crises of recent years revealed that its capacity to resolve economic problems was inadequate. The political crisis which culminated in the war demonstrated how difficult it is to resolve the problems of authority and leadership in democracies.

"Hitler's propaganda was able to exploit these shortcomings. It is beyond doubt that after the war, these deficiencies must be corrected.

*"But, on the whole, I believe with Masaryk that the best cure for the ills of democracy is 'more democracy and truer democracy.'"*

I suggested that France failed politically before she was beaten militarily.

"The collapse of France," Dr. Benes replied, "is still too recent for general conclusions. Democracy as such was not, in my opinion, to blame for it, but rather certain typical deficiencies of the system as it was conceived by the French — in particular its inability to organise itself in a crisis and to submit to voluntary discipline.

*"We see how from the example of Britain that this need not be the case in every democracy."*

I asked Dr. Benes whether he would care to comment on Axis propaganda concerning a "New Order."

"Not much comment is needed," he replied "on what is nothing more than a stunt intended to mask Germany's real aims. If Hitler had his way, he would create an order based on the slavish subordination of Europe to the interests of a German ruling caste.

"No European or world order could be founded on the enslavement of some and domination by others. An organised Europe can be based only on the democratic equality of lands and peoples and which is equally important -- the democratic equality of people within each national whole."

"For these reasons, I say that the purely military defeat of Hitler and Mussolini will not suffice for complete victory in this war. "In Germany and Italy must be created the conditions which would effectively prevent that rulership by personalities, parties or castes on which the power of dictators is built. And the German and Italian people must be made to realise that they have terrible ordeals. I am proud of them and ask nothing more than that we, their spokesmen abroad, should prove ourselves worthy of their heroism."

### Czech Resistance

Speaking about the position in Czechoslovakia, to-day, and her contribution to the common cause, the President said that he had not the slightest doubt that the Czechoslovak people would hold out to the end in their resistance to German oppression despite all the tortures they suffer.

"Our reports from home," he said, "confirm our faith. I am more than satisfied with the moral endurance of our people in their

*"Czechoslovak resistance at home is one vital contribution which Czechoslovakia makes to the struggle. It is worth no less than four million Germans, soldiers, policemen and officials who would otherwise have taken part in the war on other fronts.*

"Passive resistance is going on all the time against German war industry and against work of every character which helps Germany's military ends.

Frequent executions for acts of passive resistance prove how acutely the Germans feel our indirect aid to the Allies. As to direct support, we have a small but good army which, after the collapse of France, transferred its activity to Great Britain and the Middle East.

"Our airmen have taken part very successfully in the war first in France and since in Great Britain. The status of our army was determined by the recent agreement between Britain and the Czechoslovakian Provisional Government which guarantees independence to our army within the framework of the Allied organisation."

**Going in for Southern Cooking—By Hungerford**

# The Spirit Of England

When you hear over your radio, or read in your newspapers, that during the night while you slept peacefully and comfortably in your bed, the German Air Force concentrated on one English City, do you ever picture in your mind just what an air attack like that means to men, women and children.

If you do, you think perhaps in terms of noise and terror, of bomb craters and tumbling buildings, of fires, explosions and sometimes floods. But let me give a picture of what it means in human suffering.

A few nights ago I stood by the ruins of a row of little suburban houses close to green fields and far away from any possible military objective. A few minutes earlier in one of these houses a little girl of twelve had been sleeping peacefully. An unknown man, miles high in the sky, light-

### By John Gordon

heartedly dropped a stick of bombs. When I saw the little girl five minutes later, her parents were dead, her home was gone, and she was blind. She will probably be blind for ever.

Not very far away, some nights earlier, from the ruins of a home that was no more a military objective than the blinded girl's home, I saw twin girls of six years of age, the only children of their parents, dug out dead, clasped together from the wreckage of their home after being buried for five hours. I shall never forget the look of terror on their faces.

There is another home in that same area in which an elderly woman was sitting by the fireside one evening talking to her equally elderly servant. Without warning a bomb fell from the dark sky. It blew the fire into the old lady's lap and she is so severely burned that even if she lives, what is left of her life will be a misery. Her elderly servant has not yet been found.

I lifted a 60 year old woman in my motor car recently who told me that twice in a fortnight she had been dug out of the ruins of her home. Yet she was still cheerful.

Now incidents like that which are a nightly occurrence in England, are having a great effect upon the character of English people. We know these bombs are scattered over our towns with the intention of breaking our spirit. They might well have done so. In actual fact they have had entirely the opposite effect. People who might well have been persuaded into peace would certainly not consider peace now on any terms except their own. There has been no such hardness in England since we made our Empire. These ordinary men and women of the country have proved in adversity that they are still as great as their ancestors. They believe that they have suffered what would have broken any other nation on earth. Perhaps they have.

What they feel about the war may be gauged not alone by the endurance they have shown against sufferings inflicted on them by the enemy, but also by the sufferings they have inflicted voluntarily on themselves.

In spite of the fact that no people on earth are so heavily taxed—almost every man pays nearly half his income to the State in direct taxation alone—they are making of their own free will tremendous financial contributions.

In the first year of the war they have already subscribed to war loans the astounding total of four hundred and eighty million pounds, almost half as much as the whole national budget in a peace year.

And in addition, in their eagerness to be associated with the Royal Air Force, which to-day is the nation's proudest body, they have sent contributions of more than six million pounds to buy bombers and fighters.

These contributions are made because the people want to give of their utmost. They are voluntary taxation over and above the stiff taxation we must already pay. They show the spirit of England.

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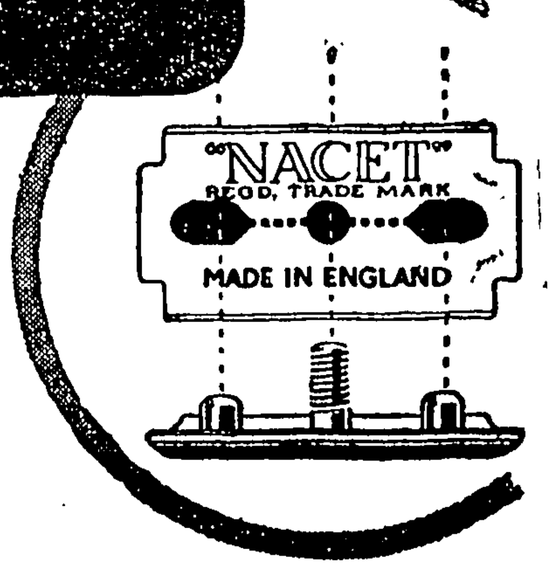


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# HARD FACTS OF SITUATION

(Continued from Page 3)

me to state that they wish to associate themselves with the tributes I have paid, and the views I have expressed. In due course Honourable Mr. Tam will speak on the question of removal of night-soil and the prevailing lawlessness and insecurity of the Colony, and Honourable Mr. Li will speak on primary education, and I desire to express my concurrence with their views on these subjects.

Fully realising the true character of the struggle now being waged by Britain and her Empire, the Chinese in the Colony have willingly and, indeed, enthusiastically cooperated with Government in all measures which Government has deemed it necessary to carry out in furthering Britain's war effort, whether by responding to the calls made for service in the Volunteer Corps, Police Reserve, A.R.P., Fire Auxiliary Service, St. John Ambulance, etc., etc., or in other directions. In view of their deeds I trust, Sir, that it is not necessary for me to pledge to you once more the willing continuance of that cooperation.

## MR. A. L. SHIELDS: RAYS OF HOPE

The Hon. Mr. A. L. Shields said:—In the Budget now before us we have the estimated revenue of $56,786,000.– the highest on record, but, nevertheless, the estimated deficit is $3,856,715.–, a matter of grave concern for this Council and the Public.

There are, however, some rays of hope in this gloomy picture, first that the recent and very necessary War Expenditure may be reduced and finally disappear, second that actual Revenue for the past three years has greatly exceeded the forecast and also the very heavy expense for emergency food reserves has been written off and should not prove to be a total loss.

I wish to thank your Excellency for agreeing to omit or reduce several items of expenditure in the draft Estimates as suggested by the Unofficial Members of this Council sitting in Select Committee.

## Police H.Q. To Wait

I refer particularly to the proposed new Block at Police Headquarters at $800,000 which can probably be built for considerably less when the cost of building materials comes down to normal. This question of cost of building also applies to the proposed Infectious Diseases Hospital at $1,900,000, of which it was proposed to provide $500,000 in 1941/2 leaving a liability of $1,400,000 on an uncompleted building for the following year with a contract placed at present high prices.

Government estimates of cost are apt to be largely exceeded owing to "unforeseen circumstances" and to changes found necessary as work proceeds.

The postponement of the Hospital contract may perhaps enable unanimity to be reached on what is really required, a subject about which, rumour has it, there is some difference of opinion.

If the Hospital is an urgent necessity can it not be built quickly in isolated blocks on the lines of the huts in St. John's Place? These appear to a layman to be much more suitable, as children with say mumps or measles would not be under the same roof with cholera or small-pox patients.

There are I feel sure several items under Public Works Extraordinary on which further economies can be effected and I hope the Hon. D. P. W. will do his best.

## Costly Experiment

I understand that at least one of my colleagues will speak on the subject of nightsoil removal being undertaken by a Government Department at a cost of $384,000 for coolies only, an item which once incurred will be recurrent.

This is a costly experiment at a time when War Expenditure is a heavy drain on our resources and one which I understand will meantime carry on the present system owing to the inability to provide improved receptacles. I sincerely hope the measure will be postponed until we can afford it.

**I am not happy about the provision of $4,700,000 for vessels to be presented to the Admiralty.**

This was authorised last year but no expenditure is anticipated for the financial period ending 31st March this year although the Imperial Government is in urgent need of destroyers or escort vessels for convoys.

The answer is, I understand, difficulty or delay in getting steel and special equipment which had to come from Home.

**Can we not help the cause more quickly and more efficiently by building standard ships which are also urgently required?**

We may be celebrating a victorious peace before these special vessels are in commission whereas freighters will be in demand long after the war is over.

Meantime the liability for $4,700,000 remains in our commitments and is a large enough sum to influence any inquiry into the necessity for increased taxation.

## Bogey Of Income Tax

The Hon. Financial Secretary's remarks, when introducing the Budget, raising the bogey of Income Tax came as a shock after the agreements reached last year.

War Taxation Revenue exceeded the estimated figures and the Finance Committee voted all supplementary expenditure for Defence. The Budget since its introduction has come within sight of being balanced.

**If further War expenditure is required this Colony will not grudge it, but let it be raised within the framework of the existing Tax Scheme by revising the rates of tax.**

The War Taxation Committee has been reconstituted under the pretext of an unbalanced Budget and we can only await the result of its deliberations but I believe any proposal to introduce Income Tax for ordinary revenue purposes will meet with even more opposition than did the suggested Income Tax to find money to assist in the prosecution of the War.

## Hard Facts

The items of expenditure which have been cut in the Estimates now before us might well have been pushed through if we had Income Tax, by the simple expedient of increasing the rate. In spite of the wish of the Secretary of State for the Colonies that development, social services, etc. should not be curtailed in war time we have to face hard facts.

We must keep a tight rein on expenditure by Government Departments on their pet schemes which may endanger the solvency of the Colony at a time when we need some dollars in the till and some untapped sources of taxation to meet further calls for defence and I hope offence.

**The lack of support for the last Government Loan should be a warning. The Public is deeply concerned over the high cost of Government, Pensions, etc. and about the carefree way in which Government spends its money.**

## MR. LEO D'ALMADA: INQUIRY NEEDED

The Hon. Mr. Leo d'Almada said:—From the point of view of a Kowloon resident there is much in this Budget that is gratifying. There is generous provision for resurfacing our roads, work which is long overdue; a new public mortuary and disinfecting station is budgetted for; the promise of a police station for Kowloon Tong raises a hope that that district and the Prince Edward Road area will enjoy some measure of police protection in the near future; and an agricultural station in the New Territories shows that here again Government is at last paying some heed to those who have constantly advocated the development of our resources for food production.

It is regrettable that the Unofficials in Select Committee have thought it expedient in the light of the present situation and of the Colony's finances to curtail to some extent the proposed public works expenditure both on the mainland and in Hong Kong, but the majority will agree that in so doing the Committee has followed the dictates of commonsense and prudence.

This is all I have to say on the Budget.

Our annual Budget debate, however, has long been regarded as the proper occasion for the ventilation of grievances and complaints, and of these I have a few.

## Government's Failings

I do not know what Government feels about its last twelve months' administration in this Colony. In my opinion, apart from revenue, there is little room for complacency, much less for congratulation.

I will mention only three matters as to which Government has laid itself open to criticism.

First, a very late start was made to provide air raid shelters.

Next, a most lamentable lack of tact was displayed in the handling of evacuation. Government has already been severely censured for this by the public, and I mention it here only because it should be included in any debate which involves the review of the past year's policy and activities.

Some months ago, it was deemed advisable to establish a department for the control of immigration. Here again, it appears to have been thought necessary to lay emphasis on race distinction, for, if I remember rightly, in advertising for immigration officers Government made it clear that these posts were open only to British subjects of pure European descent. Now, Sir, this might possibly have been excusable if these were positions of comparative importance or of a specialised nature, but this is not so. Immigration officers have been recruited from every walk of life, and the fact that they are paid only $400.00 a month is another indication that the job is not one calling for any alleged superiority of blood or intelligence.

**More than once have I advocated that Government should draw no invidious and totally unnecessary distinctions in engaging its employees. But I suppose the policy is so ingrained that only where it is impracticable to pursue it will Government reluctantly adopt another.**

## "Part And Parcel"

If this constant discrimination were productive of something of value, if for example, it made for a high standard of efficiency, there might be something to be said for it. This however, is far from true, as Government knows from complaints in regard to administration brought to its attention by Unofficials and through other sources. My honourable friend, Mr. M. K. Lo, has already dealt with the inefficiency and incivility to be met with in the Immigration Department.

Complaints with regard to it are heard on all sides. Government's excuse so far as inefficiency is concerned will doubtless be the plea that this is a newly created department with a heavy volume of work to cope with.

Whether this is a valid excuse can only be ascertained on inquiry; and it is no answer to the charge of incivility. Complaints of a more serious nature have been made against this and other departments and I do not think I am exaggerating when I say that if more is not heard, it is because the people of Hong Kong are so enured to the many failings of Government that they have come to regard them almost as part and parcel of the system, to be borne with resignation.

There is perhaps one other reason why one does not hear more.

## The Law Of Libel

The Press is the usual vent for public feeling, but newspapers being subject to our very strict laws of libel, to the misfortune of the public, in such a case as this, are not unnaturally careful, sometimes over-careful, as to what they publish. Sir, were these laws relaxed and were there any assurance that the airing of complaints and charges which were not mere groundless and wicked rumours would result in something being done, the correspondence columns of our dailies would be full of the most interesting disclosures and revelations.

As things are, one cannot ex-

(Continued on Page 9)

# OUR HIDDEN RESERVES

(Continued from Page 8)

pect this, but to-day there are few people in Hong Kong who either do not know or have not heard reports of matters which have already reached even Government's remote ears, and which cry for investigation.

Stories are circulating regarding the maladministration in departments whose importance is vital at the present time; it is the common belief that bribery and graft are rife; and the head of a department has been credited with the practice of nepotism in its ugliest form.

Such a state of affairs one has grown accustomed to associate with some Latin or Balkan States, with what justification I care not.

**That it should be permitted to exist in the Government of a British Colony is surely matter calling for the most searching inquiry. I suggest, Sir, that Government emulate the dictators in one regard, and take measures to purge its ranks.**

## MR. W. N. T. TAM: IDLE MONEY

The Hon Mr W. N. Thomas Tam said, Your Excellency, The Hon. Financial Secretary, in his speech introducing the Draft Estimates for the ensuing fiscal year, stressed the advisability of steering a middle course between ultra-conservatism and radical change. With this "golden mean of practicality", it is difficult to disagree; but while the Hon. Financial Secretary has adopted this praiseworthy policy in deciding what matters his Budget should cover, he would follow no such middle course when it comes to estimating Revenue and Expenditure.

In his estimates of our income, ultra-conservatism is noticeable; while as regards expenditure, the quintessence of pessimism is manifest. Caution in the extreme bids him to be content, not only with including under expenditure for one year, items which are meant to provide for a longer period, but to go further and to put away a few hidden reserves.

I do not propose here to go into great detail; as the points in justification of my statement have been raised and dealt with by my colleague and myself who were on the Select Committee, to which the Draft Estimates were referred. I desire to give only two examples.

## New Duties

The Hon Financial Secretary, in his Revised Estimates for the period "ended" from the 1st January, 1940, to the 31st March, 1941, a period of fifteen months, gave the figure for Ordinary Revenue that is, apart from War Taxation, as $57,000,000. Using the figure as a basis for calculation and presuming the continuance of the existing state of prosperity factor on which the Hon Financial Secretary himself relies, the proportion for twelve months would be $45,840,000. This amount, although three lakhs larger, would seem at first glance to approximate and to bear out the estimate of $45,536,000, which has been given as the prospective Ordinary Revenue for the coming twelve months commencing from the 1st April, 1941, and ending on the 31st March, 1942; but it must be remembered that the former figure of $45,840,000 based on the revenue for the previous year does not take into full account the increase in petrol, spirit and other duties which have operated for only a portion of the fifteen months and moreover it takes no account of the increase in postage rates which was introduced as recently as the 1st day of the present month.

My submission therefore is that if these increases in taxation had operated for the whole of the previous fifteen months, the revenue for that period would have been immeasurably higher; the difference between the figure obtained by using that revenue as a basis and the figure given by the Hon. Financial Secretary as a forecast would then be accentuated and the conservative nature of his estimate would be clearly seen.

In this connection, it may be noted that the Hon. Financial Secretary in his latest statement gives a Revised Estimated Revenue of $56,786,000, which includes War Taxation and new or additional duties; but as he has only added a provision for new duties and has made no revision in his former estimates, my remarks, in spite of the higher figure he has adduced, remains unaffected.

## Congratulation

In summarising the financial position of the Colony, the Hon. Financial Secretary deplored the fact that when the second instalment of the 1934 Dollar Loan was floated last June, it was necessary for Government to take up $5,790,000, more than half of the total, and that cash was obtained only to the extent of $5,640,000.

Far from being a cause for dissatisfaction, it appears to me to be a case for congratulations, that the financial resources of the Colony should be in that happy state whereby the Colony could finance itself out of its surplus balances. The voicing of dissatisfaction, if any, must surely apply to the local money market, in particular to the local tax payer, that he should be obsessed by such difficulties as to render his response to an attractive form of investment on favourable terms, so meagre.

So far as Government is concerned, while the liquidity of its assets may be impaired, no loss has been incurred. Government is only making use of its idle money; and the restoration of its cash position is being gradually assured by yearly redemption of the bonds from funds which are allocated for that purpose out of revenue.

Incidentally in this connection, provision has been made, under Head 22 of the Draft Estimates, as a charge on account of Public Debt, for the payment of a sum of $404,390 by way of interest on that particular loan. There is no doubt that, as Government is the holder of more than half of this loan, over two lakhs will be payable to Government itself; but nowhere is mention made of this attractive sum on the income side, a perfect example of what I have referred to as hidden reserves.

## Sound Policy

In the ordinary course of events little criticism would be levelled at a Budget drawn on these lines, as it is sound policy for the guardian of the public purse to be prudent; but while prudence which leads to showing a deficit is understandable, it is time to ask for a return to a sense of proportion when that prudence becomes excessive. Its use is certainly unjustified to paint a picture so gloomy so that a call for further sacrifices may be unchallenged by a community, already burdened by greatly increased costs of living and bearing, albeit cheerfully, added taxation as a war responsibility.

If the dissemination of gloominess is intended to stimulate fresh efforts to support the war, then a direct exhortation to that effect may be productive of better results. Although as individuals some of us might do more we certainly cannot do too much as far as Hong Kong is concerned, we have no need to be ashamed of the effort we have made $10,000,000 per annum by way of War Taxation on a tiny colony, with a dearth of agricultural produce, few major industries, next to no mineral wealth and a total absence of precious metals, is no mean effort.

We have been criticised for the unfair incidence in our form of taxation. There are few of us who do not admit that there are faults as there are in every system. Nevertheless, while others are still in the process of deliberation and searching for an ideal, Hong Kong has for over a year been fulfilling its obligations.

It is regrettable that reference has been made to this subject and to the comparative merits of income tax. No good can come out of resuscitating a controversy long dead and buried. I do not intend to dwell on the subject, as I am confident that the War Taxation Committee which Your Excellency has reconstituted will make every endeavour to remove imperfections and to evolve as satisfactory a system as possible.

## Immigration

Coming to the working of the newly established Immigration Department, I would like to support the request which my Senior Chinese colleague has made with regard to a general speeding up in the issuance of immigration certificates. A simplification in the rules of procedure appears to be the solution.

At present, before an applicant can be issued with a certificate, he has to fulfill four requirements. Firstly, he has to obtain an application form; secondly, he must have photographs which are in accordance with specifications; thirdly, he must send in his application form properly completed and fourthly, he must apply for the certificate. In order to comply with these requirements, an ordinary person, in addition to his visit to an authorised photographer would, in all probability, be compelled to line up in a queue, in fair weather or foul, in sun or rain, for three consecutive occasions, before he could obtain his certificate and then presuming no hitch had occurred.

I have learned that modifications have now been introduced so that a certificate may be obtained in as short a period as twenty-four hours. This is certainly welcome news, if true; but there are still other aspects of the problem to which attention should be given at an early date; I refer to the examination of ships on arrival, the return of deposits made by persons entering without certificates, the method of collecting and the fixing of the amount of these deposits and the necessity of paying deposits in Hong Kong currency.

I believe the general public is fair-minded enough to realise the difficulties which must be encountered in setting up a new department with the wide ramifications involved, in the short time assigned and perhaps with an insufficiency of staff and office space. The public would not mind the delay and would be prepared to cooperate by suffering reasonable inconvenience, provided it is satisfied that the department is doing its best and is itself sympathetic towards the hardships of the public; but the complaint is that far from being helpful, the officials of that department have shown nothing but incivility and the result in the creation of considerable resentment on the part of the public which is now clamouring for satisfaction.

In fairness to the head of the department, I must qualify what I have said by stressing that whenever I have been deputed by my colleagues to see him, I have found him not only most affable and considerate but ready to meet any suggestions which we might have submitted.

## Collection Of Nightsoil

Perhaps the most controversial of the items which are now appearing for the first time in the Budget is the provision for a scheme, known as departmental collection, whereby Government will employ coolies, some 2,000 in number for the removal of nightsoil, the cost of the project to be met by an increase of one per cent. in the rates. My Chinese colleagues and I learn with deep satisfaction that it has been decided by Government that this scheme

(Continued on Page 11)


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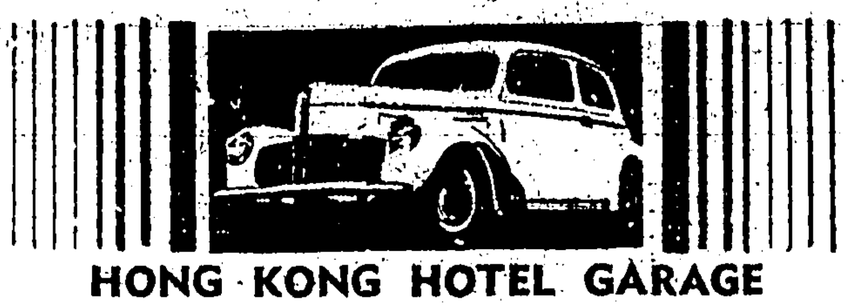

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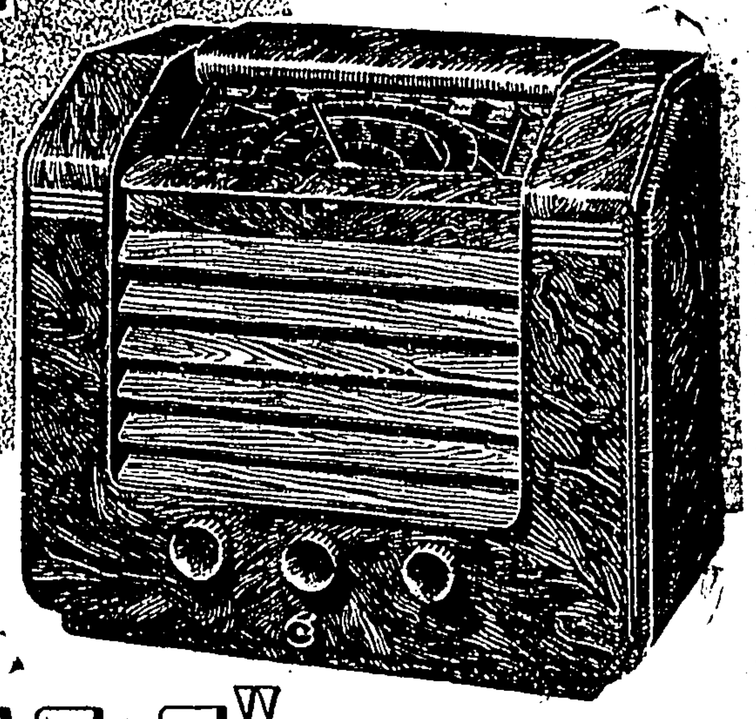

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Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant) will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, ($200) in cash. This sum will be refunded on payment of the Purchase price.

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NOTICE is hereby given that the TWENTY SECOND ORDINARY YEARLY MEETING of this Company will be held at the Registered Office of the Company No. 10, Des Voeux Road Central, on SATURDAY, the 8th March, 1941, at 2.00 p.m. for the purpose of receiving the Report of the Directors together with a Statement of Accounts for the year ended 31st December 1940.

The Register of Shares of the Company will be closed from Saturday, 1st March, 1941 to Saturday, 8th March, 1941 (both days inclusive) during which period no transfer of shares can be registered.

By Order of the Board of Directors.

KAN TONG PO,
Chief Manager.
Hong Kong, 20th February, 1941.

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## THE "STAR" FERRY COMPANY, LIMITED

### Notice to Shareholders

NOTICE IS HEREBY GIVEN THAT THE FORTY-THIRD ORDINARY YEARLY MEETING OF THIS COMPANY will be held at the Office of Messrs. Jardine, Matheson & Co., Ltd., on FRIDAY, the 28th February, 1941, at 11.00 a.m., for the purpose of receiving the Report of the Directors together with a Statement of Accounts for the year ended 31st December, 1940.

The Register of Shares of the Company will be CLOSED from Wednesday, the 19th February, 1941, to Friday, the 28th February, 1941, both days inclusive.

By Order of the Board of Directors.

C. M. MANNERS,
Secretary & Manager.
Hong Kong, 12th Feb., 1941.

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## THE HONG KONG JOCKEY CLUB

### ANNUAL RACE MEETING, 1941

Postponed to:—

THIRD DAY—
Saturday,—22nd February.

FOURTH DAY—
Monday,—24th February.

FIFTH DAY—
Saturday,—1st March.

On Saturday, 22nd and Monday, 24th February, the first bell will be rung at 11.00 a.m., and the first race will be run at 11.30 a.m. On Saturday, 1st March, the first bell will be rung at 1.30 p.m. and the first race will be run at 2.00 p.m.

The tiffin interval will be after the fifth race on the third and fourth days.

MEMBERS' BADGES AND ENCLOSURES

Members are reminded that they and their ladies MUST wear their badges prominently displayed throughout the Meeting.

NO ONE WITHOUT A BADGE WILL BE ADMITTED TO THE MEMBERS' ENCLOSURE.

Badges admitting non-members to the Members' Enclosure and Club Rooms at $10.00 per day including tax—or $40.00 including tax for the Meeting (ladies $5.00 and $20.00 respectively) are obtainable through the Secretary upon the written or personal introduction of a member, such member to be responsible for all chits, etc.

Badges admitting to Members' Enclosure will NOT be on sale at the Race Course.

The Secretary's Office, 1st floor, EXCHANGE BUILDING, (Tel. 27794) WILL CLOSE AT 9.45 a.m. ON THE FIRST FOUR DAYS, and at 11.45 a.m. ON THE FIFTH DAY.

A limited number of tiffins will be obtainable each day at the Club House, provided they are ordered in advance from the No. 1 Boy, (Tel. 21920).

NO CHILDREN WILL BE ADMITTED TO THE CLUB'S PREMISES DURING THE MEETING.

PUBLIC ENCLOSURE

The price of admission to the Public Enclosure is $2.00 per day including tax for all persons including ladies, and is payable at the Gate.

Soldiers and Sailors in uniform are admitted to the Public Enclosure at $1,00 per day including tax.

Bookmakers, Tic Tac men, etc., will not be permitted to operate within the precincts of The Hong Kong Jockey Club during the Race Meeting.

Tiffins will be obtainable in the Restaurant in the Public Enclosure.

SERVANTS' PASSES

Passes for Servants will be issued to Private Box holders ONLY on application to the Secretary, 1st floor, Exchange Building.

Any persons found loitering with Servants' passes in their possession will forfeit the same and will be removed from the Enclosure.

By Order,
C. B. BROWN,
Secretary.
Hong Kong, 9th. February, 1941.

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## WARNING

Business Houses are hereby warned that all payments in connection with the 1941 edition of The Hong Kong Dollar Directory should be made at the Offices of the publishers, through the post or by chit book.

No one is authorised to visit offices and collect money on behalf of this publication.

THE PUBLISHERS,
The Newspaper Enterprise, Ltd.
Windsor House.

# BRIDGE NOTES

## REOPENING THE BIDDING
### By The Four Aces

Good players nowadays realise that it pays to keep the bidding open after partner has opened the bidding, even if one's own hand is pretty weak. When a good player fails to do so, therefore, it's a confession of abject weakness which may be turned to account by astute opponents:

South, Dealer
Neither side vulnerable

| | | |
|---|---|---|
| | ♠ Q 9 5 2<br>♡ 10 8 3<br>◇ 10 7 3<br>♣ 10 5 2 | |
| ♠ 7 6<br>♡ J 9 5 4<br>◇ A 8 4<br>♣ A J 7 4 | N<br>W E<br>S | ♠ A J 8 4<br>♡ Q 7 2<br>◇ K Q J 6<br>♣ Q 6 |
| | ♠ K 10 3<br>♡ A K 6<br>◇ 9 5 2<br>♣ K 9 8 3 | |

The bidding:

| South | West | North | East |
|---|---|---|---|
| 1♣ | Pass | Pass | Dbl. |
| Pass | Pass | Pass | |

North's pass was perfectly proper, of course, since his hand was too utterly bare for even the most courteous of "courtesy" responses. East could have left his cards unseen on the table and could still have been pretty sure that the opponents had no game and that it was therefore safe to reopen the bidding. That is true in almost all cases where an opening bid is not kept open, for the passer shows a "bust" and the bidder cannot have game in his own hand since he did not make a two-bid.

HIGH CARD VALUES OF THE FOUR-ACES SYSTEM
ACE ... 3
KING .. 2
QUEEN 1
JACK ... ½
TOTAL VALUE OF HIGH CARDS ASSIGNED TO EACH SUIT

But it isn't enough merely to reopen the bidding in the hope of getting a part-score of one's own or, perhaps, a hard-earned game. Of all reopening bids, the double is the least binding and the most likely to be profitable.

In to-day's hand, for example, East's double was a Takeout Double — but it gave West the chance to pass for penalties. Had East reopened the bidding with one diamond, South would have passed and would have been out of his misery. As it was, he was set three tricks at his one-club contract; and the 500-point penalty was worth more than the rather doubtful game at no-trump which East and West might have made (but which they probably would not have bid.)

* * *

Yesterday you were Howard Schenken's partner, and with both sides vulnerable, you held:

♠ A Q 6 3
♡ 8
◇ A J 7 5 4
♣ K 10 2

The bidding:

| Jacoby | You | Maier | Schenken |
|---|---|---|---|
| 1♡ | (?) | | |

ANSWER: Double. The Takeout Double is the best way to show your strength and land in the best suit of the combined hands. To bid either of your suits risks a possibly disastrous penalty double and does not really show the nature of your hand.

Score 100% for double, 30% for two diamonds, 20% for one spade.

### Question No. 644

To-day you hold the same hand, and the bidding continues:

| Jacoby | You | Maier | Schenken |
|---|---|---|---|
| 1♡ | Dbl. | 1NT | 2♣ |
| Pass | (?) | | |

What do you bid? (Answer tomorrow.)

(Released By The Bell Syndicate, Inc.)

When the old-fashioned girl got a beau she considered it called for a feather in her cap but the modern miss thinks the event calls for an ostrich jacket.

## OFF THE RECORD — By ED REED

"Stanley taught him to help me, so he wouldn't have to do it himself!"

*Here's Luck*
EWO BEER
Tel. 30311

**Bringing Up Father** By George MacManus

# BUDGET DEBATE

(Continued from Page 9)

should stand over until further consideration has been given to the matter and that Government will refrain from expenditure without the consent of the Finance Committee. This decision is, in our opinion, a wise one.

We venture to suggest that, before committing itself, Government should examine carefully and find out exactly what are the improvements and advantages attached to departmental collection. All of us realise that the present system is far from satisfactory. We would welcome a change, but it must be a change for the better. How is the proposed system a better one? Surely not because some 2,000 coolies, hitherto free-lance would thereby become Government servants. Judging by the many representations which have been made, the coolies themselves do not appear to show any enthusiasm.

## Different Proposition

Although there must be reasons, we are unable to see where, from the point of view of public health progress lies, when the same old method is used and the same old set of coolies are employed. In fact, so far as the average tenant is concerned, he would far rather deal with the coolie working for himself, who in all likelihood would be a humbler individual than the same coolie working in the role of a Government servant. At least now, when a tenant has a complaint to make, he goes to a neutral party; but with departmental collection, he will be faced with the task of laying a complaint before the head of a Government department against one of his subordinate officers, a totally different proposition.

It appears to me that there is some confusion in thought as regards the issues involved. While improved transport or improved buckets would represent an improvement in the method of collection and will be beneficial, the change in the status of the coolie is unimportant and is not a condition precedent to the setting up of adequate supervision.

As an alternative and a more satisfactory solution, my colleagues and I submit that the Urban Council should consider the licensing of the existing coolies or a number of foremen to provide coolies, that the Council should take a deposit from them and see that they carry out their duties properly, any delinquency to be punishable by fine, the payment of which will be guaranteed by the deposits suggested, with the cancellation of licences in cases of grave or repeated offence. We would most respectfully urge Government to try this alternative solution before embarking on a scheme of departmental collection.

## "Lack Of Progress"

Further, we have been informed that the present coolies through their guilds have petitioned Government expressing their readiness to introduce improvements in transport and in receptacles and to meet any requirements which Government may stipulate. It therefore does not appear that Government should have any reason to be apprehensive of a lack of progress.

Finally, even if it could be shown, which many of us doubt, that it would be to the best interest of the Colony that departmental collection should be adopted, it nevertheless still remains for Government to be satisfied that the use of public money is necessary, particularly where further taxation is involved.

The people who have recourse to the present system have never refused to pay. Take the poorer classes, whom it is intended to benefit. In their case there will be no relief; as we know that most of them are merely subtenants; and it will only mean that the principal tenant, who makes a business out of sub-letting will be spared a legitimate expense and will derive a bigger profit thereby; while on the other hand, tenants of property with a water carriage system will be penalised by higher rates. Can this be said to be an encouragement to the general introduction of water closets or is it not rather an inducement to cling to the old antiquated and much discredited system.

Government has attempted to justify the use of public money by claiming that it is through the use of public money that drains are laid. There is an obvious fallacy in this argument. Firstly, the drains are there whether water closets use them or not, they serve to carry away storm and sullage water; and secondly, drains alone do not make a water closet system; whereas Government, in cases where the owners of property have not thought fit to install water closets, will be assuming the whole cost of a system which takes the place of but is far less satisfactory than one of water carriage.

## Vice And Crime

I now come to a matter which affects the good name of the Colony and with which my fellow Chinese members have asked me specially to deal. Many a resident, alarmed by the serious prevalence of crime and vice has repeatedly approached us to press Government for more energetic action. We on our part have made repeated representations to Government, sometimes as the result of specific requests from members of our community, but more often than not, on our own initiative. The position is now getting from bad to worse. We know that the Hon. Commissioner of Police is doing all he can but we feel that something more must be done.

The suppression of gambling, particularly of "Tse Fa" lotteries, which are fast becoming an open scandal, the eradication of open soliciting in the streets, the placing of a check on the activities of girl escort bureaux, the prevention of robbery and larceny, especially petty thieving and snatching in the streets form the list which we have been asked to bring to the attention of Government.

The stories of the existence of lands where one may sleep with one's front door open and not be robbed; where one may leave a parcel in a tramcar and have it returned the next day seem to us fantastic and fill us with wonder and envy. It is sad to think that we in Hong Kong must sleep behind iron grilles and bolted shutters and yet not be free from depredation. No one is respected, be he magistrate or policeman, be he taipan or ordinary shopkeeper. Nothing is free from filching. It may be only a plank from a staircase, a hook for fastening a window or a short length of wiring, the saleable value of which is infinitesimal though the replacement cost be high. As for motor cars, fountain pens and car rings, these are stolen, or picked from the pocket, or snatched in open daylight.

## Complex Problem

If all crime were the result of poverty, the search for a cure, difficult though it may be is not impossible; but if a gambler steals to get stake money and a dope fiend to satiate his desire, the matter becomes far more complex.

We realise the immensity of the problem confronting us. Apart from the question of arrest, which is a police matter, no permanent solution can be found without taking into account the provision of adequate prison accommodation, the creation of decent employment and the introduction of general education. The higher the ethical standard of the people as a whole, the less there is of crime; and it is by going to fundamentals that it can be hoped to efface all the sores with which this Colony is beset.

The leavening of the masses takes time; but there is no need to remind Government of the urgency of the problem. Next to the prevention of invasion from without is the prevention of lawlessness and disorder from within.

We therefore trust that Government will undertake its just responsibilities and will make more serious and more strenuous efforts to stamp out crime. We owe it to the innocent and the law-abiding to remove from them a constant fear of and a growing concern for lawlessness and insecurity.

## Essential Commodities

Finally I would like to draw the attention of Government to the necessity of maintaining a low price for the three commodities which the Chinese community considers essential for life, namely, rice, firewood and peanut oil. I know from information which has been furnished me as a member of the Finance Committee that considerable steps have been taken as regards the first two; but it is my earnest hope that more will be done in the near future; while as regards peanut oil, may I suggest that it should also receive consideration?

In conclusion, I wish to associate myself with the tribute which my Senior Chinese colleague has paid Your Excellency; for I can from my own experience humbly testify that whenever representations have been made to you, Sir, as head of the Government, Your Excellency has never failed to receive us with courtesy and sympathy; and if I may be permitted I should like to take advantage of this opportunity to add my own expression of gratitude.

# MR. LI TSE-FONG: FINANCE POLICY

The Hon. Mr. Li Tse-fong, who followed said:—Your Excellency, the Honourable the Financial Secretary in his speech on the 16th January, 1941, reviewing the financial position of the Colony stressed the point that although the revised estimate anticipates a surplus of $17,213,670 at the end of the present financial year, this surplus is largely a nominal one. The Financial Secretary explained that out of this surplus of over $17,000,000, a sum of $5,790,000 was invested in the 1934-Dollar-loan, "while by the end of next year a total of over 4 million dollars will have been advanced in anticipation of a future loan." Granting that this statement is correct, it does not alter the fact that the estimated surplus of this Colony's assets over its liabilities, at the end of March, 1941, will be well over $17,000,000 although it may not consist entirely of cash. According to the financial statement published by Government on the 5th February, 1941, the Colony's actual surplus at the end of October, 1940, was more than $21,000,000 of which a sum of over $18,000,000 was classified as cash and advances. This represents a very high ratio in relation to the amount of revenue from ordinary sources.

**If this Colony were a corporation I would certainly congratulate those in charge of its affairs on its very strong financial position. But as a Government it is open to criticism.**

It may be criticised that either it has failed to carry out and develop fully its social functions or it has taken more revenue than was necessary from the people by way of taxation.

## Relic Of Middle Ages

I submit, Sir, that this practice of keeping a surplus was a method adopted by Governments during the Middle Ages and has long been considered as bad financial policy. It is well established in practical financial administration that surplus financing encourages extravagance and that there is no necessity whatever for a state to keep a surplus.

I mention this not because I wish to suggest that the estimated deficit for the next financial year should be met by drawing on this surplus as I hope that there will be no necessity to do so. But I believe that this policy of accumulating surplus is fundamentally wrong. I admit that the existence of a large surplus gives a certain degree of convenience to the administration because it has at its disposal, what one may call, a special fund from which it can draw for the purpose of financing public works. However, I venture to say that this practice of drawing upon the surplus to finance public works does not conduce to good financial organisation and careful budgetings. With a surplus to fall back on there is a possible temptation on the part of the administration in presenting its annual budget to the legislature, to withhold complete statement of its needs for fear that its estimates may be cut down. Another possible abuse in the use of the surplus is that the administration may be spending public money first, before coming to the legislative body for approval.

## An Emergency

It may be said in favour of this policy that the object of maintaining a surplus is to have a reserve in case of emergency. If that was the intention, I think the present moment is the proper time to make use of such surplus. A portion of it may be set aside for the cost of the proposed building of two ships to be presented to the Admiralty and War Department and the remainder can be used for carrying on defensive works in the Colony. If Government were to agree to this course, there would be no deficit in next year's budget and no necessity to curtail its social services. Indeed all social services can be further expanded with revenue coming in from ordinary sources.

It is evident from the operation of the War Revenue Ordinance that the taxable ability of the community is extremely good as well as extremely flexible. I submit, Sir, that this ability and flexibility of our taxation system constitute the real reserve of our

(Continued on Page 13)

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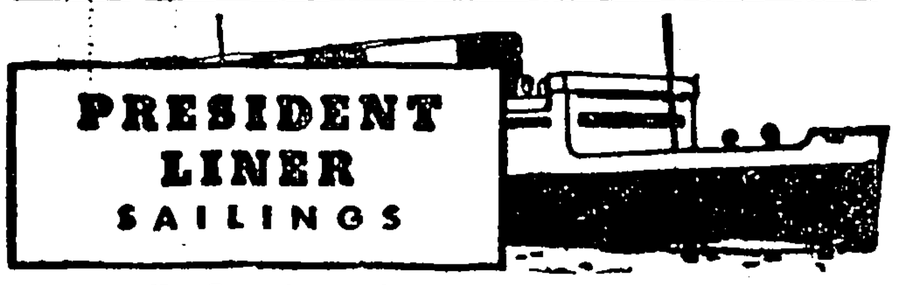


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# MAILS

The Printed Matter Service to the following places in China is temporarily suspended:—Yunnan, Szechuen, Kweichow, Hunan, Fukien (except Amoy & Kuangsu), Kwangsi (except Wuchow & Yunghsien), North & East of Kwangtung.

Small Packet Post to all countries is suspended.

## INWARD MAILS

### THURSDAY

Java.
Calcutta, Straits and Air Mail by "British Overseas Airways Service" (except London) by Sea from Singapore
Straits and Air Mail by "British Overseas Airways Service" (Australian mail only) by sea from Singapore.
Calcutta and Straits.

### FRIDAY

United Kingdom and Straits.
Canton
Sandakan

### SATURDAY

Air Mail by "Pan-American Airways Direct Service"—San Francisco date, 15th February

### SUNDAY

United Kingdom and Straits.

### MONDAY

U.S.A., Honolulu, Japan and Shanghai. (San Francisco date, 7th February).
Canton

## OUTWARD MAILS

| FOR | DATE & TIME |
|---|---|

### THURSDAY

| | |
|---|---|
| Saigon | 2.30 p.m. |
| Manila, Australia and New Zealand via Brisbane. | |
| **K.P.O.** | |
| Parcels | 4.00 p.m. |
| Reg., | 5.00 p.m. |
| Ord. | 5.30 p.m. |
| **G.P.O.** | |
| Parcels | 4.00 p.m. |
| Reg. | 5.00 p.m. |
| Ord., | 7.00 p.m. |
| Saigon | 7.00 p.m. |

### FRIDAY

| | |
|---|---|
| Straits and Rangoon | 12.30 p.m. |
| Air Mail by Air to Rangoon to connect with the "British Overseas Airways." | |
| **K.P.O.** | |
| Reg. | 4.00 p.m. |
| Ord. | 4.30 p.m. |
| **G.P.O.** | |
| Reg. | 4.00 p.m. |
| Ord. | 4.30 p.m. |
| Canton | 7.00 p.m. |

### SATURDAY

| | |
|---|---|
| Air Mail by Sea to Singapore to connect with the "British Overseas Airways" | |
| **K.P.O.** | |
| Reg. | 2.00 p.m. |
| Ord. | 2.30 p.m. |
| **G.P.O.** | |
| Reg. | 2.00 p.m. |
| Ord. | 2.30 p.m. |
| Straits, Rangoon & Calcutta | 3.30 p.m. |
| Shanghai, Japan, Honolulu, U.S.A., Canada, Central and South America and *United-Kingdom via San Francisco. (No Parcels for United Kingdom). | |
| Note:—All Mails for United Kingdom will be forwarded with or without superscription. | |
| **K.P.O. & G.P.O.** | |
| Parcels | 3.00 p.m. |
| Reg. | 4.45 p.m. |
| Ord. | 5.30 p.m. |
| Air Mail for Manila, Guam, Honolulu, U.S.A. and Europe via "Pan-American Airways and Trans-Atlantic Services". | |
| **K.P.O.** | |
| Reg., | 5.00 p.m. |
| Ord. | 5.30 p.m. |
| **G.P.O.** | |
| Reg. | 5.00 p.m. |
| Ord. | 3.30 p.m. |
| Straits, Ceylon, India, East and South Africa | 5.30 p.m. |

* Superscribed Correspondence Only.

# RADIO

12.28 p.m.—Brahms — Double Concerto in A Minor, Op. 102.
1.03 p.m.—Charlie Kunz at the Piano.
1.15 p.m.—Concert Waltzes by The Orchestra Mascotte.
1.30 p.m.—Reuter and Rugby Press, Weather Forecast and Announcements.
1.45 p.m.—Sophie Tucker and Stanley Holloway in Variety.
2.15 p.m.—Close down.
5.45 p.m.—Indian Programme.
6.32 p.m.—The Don Cossacks Choir in a Russian Programme.
7.00 p.m.—London Relay—The News.
7.15 p.m.—London Relay—'Meet Uncle Sam'.
7.30 p.m.—Dance Music by the B.B.C. Dance Orchestra.
8.03 p.m.—Robinson Cleaver (Organ) and Patricia Rossborough (Piano).
8.15 p.m.—Studio—Local Newsletter.
8.30 p.m.—Variety with Sandy Powell and Pat Kirkwood.
9.00 p.m.—London Relay—The News.
9.15 p.m.—London Relay—'Questions of the Hour'.
9.30 p.m.—A 'Cello and Piano Recital by Casals and Gieseking.
9.55 p.m.—Beethoven—Symphony No. 9 in D Minor, Op. 125 "Choral".
11.00 p.m.—Close down.


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| Issued and Fully Paid-up | $20,000,000 |
| Reserve Funds:— | |
| Sterling | £6,500,000 |
| Hong Kong Currency Reserve | $10,000,000 |
| Reserve Liability of Proprietors | $20,000,000 |

HEAD OFFICE: HONG KONG.

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# BUDGET DEBATE

(Continued from Page 11)

financial power which has stood the test of time remarkably well.

I will now pass on to make some general remarks on the estimates for the next financial year. The figures in the estimates have been carefully considered and closely scrutinised by the Select Committee of this Council and I will confine my remarks to the general policy in connection with them.

Before I offer my views I wish to state that I am in general agreement with the remarks made by my Senior Chinese Colleague in regard to the War Revenue Ordinance, and Death Duties and his criticism on the working of the Food Control Department and the Immigration Department.

Among the proposals for increased taxation for the purpose of raising further revenue, the Financial Secretary has suggested three alternatives which are briefly as follows:—

(1) To increase the existing rates under the present War Revenue Ordinance.
(1) To amend the present War Revenue Ordinance.
(3) To impose a "proper" Income Tax.

I do not intend to deal with these suggestions to-day but I wish to state that, as far as revenue is concerned, the operation of the War Revenue Ordinance appears to be highly satisfactory

## Tax Yields

I gather from the Financial Secretary that he is quite satisfied with the yield of the Property-tax, the Salaries Tax and the Corporation Tax. Indeed Corporation Tax alone is expected to bring in no less than $5,500,000 against an estimated return of $6,000,000 from the four taxes imposed by the War Revenue Ordinance. As far as I can see the Financial Secretary's main disappointment is in connection with the smallness in the return of the Profit Tax which is expected to produce a revenue of $900,000 only. It should, however, be remembered that the War Revenue Ordinance has only been in operation for less than a year and that a tax of this nature generally takes some time before it can be effective.

It is quite true that businesses include all non-corporation firms and professional men, who do not pay Salaries Tax, but it must not be overlooked that the majority of these non-corporation firms consists mainly of small shop keepers whose capital, as a rule, is small. If there were obvious evasion and unfair incidence, I venture to think that the remedy is to amend the War Revenue Ordinance.

Your Excellency has already reconstituted the War Revenue Committee in order that the Committee may re-examine and advise Government on the existing measures of war taxation in the light of the Colony's present financial position and the actual receipts from the four taxes imposed by the War Revenue Ordinance. It is the task of this Committee to find some practical solution and to give Government advice as to the best means of raising revenue to meet War expenditure under prevailing conditions. I will therefore abstain from making further comments.

With regard to the provisions for the daily collection of nightsoil to be undertaken by Government I understand that such provisions would not be carried out if there were no sign of any improvement in the Colony's finance I do not think that it is quite correct to say that the Urban council, of which I am a member, has definitely suggested to Government to put an increase of one per cent. on rates in order to meet expenditures on this undertaking. As a matter of fact when this matter was brought up for consideration, the question of finance had not been discussed. I consider that it is not fair to place the entire burden on property owners without regard to the fact that some of the tenements have water flush systems. I wish to point out that this responsibility of daily collection of nightsoil, if undertaken by Government, is a service rendered to a particular class of the community and that class should pay for it.

My Chinese colleague the Hon. Mr. Tam has spoken very fully on this subject. While I agree that the scheme sponsored by the Urban Council is an improvement, I feel that unless Government is in a position to carry out that scheme in full, the alternative method mentioned by Mr. Tam in dealing with the existing system appears to be a practical one.

## Primary Education

In the matter of education I welcome the provision for a new subsidy code for vernacular schools which makes generous provisions for subsidies to schools on the basis of approved expenditures on salaries of teachers and rent of school buildings. As a member of the Board of Education I firmly believe that in the educational system of this Colony it is Chinese primary education which urgently needs development. At the present time the development of Chinese primary education is left almost entirely in the hands of private enterprises and I do not think that a satisfactory system can be achieved without Government taking a leading part in its development. I wish therefore to urge Government that as soon as the financial position permits, it should proceed with the programme for the development of Chinese primary education. This programme has been carefully considered by the Board of Education and submitted to Government by the Director of Education with the full and unanimous support of its members. I venture to think that this programme is not an extravagant one and does not call for heavy expenditure which will be spread over for a number of years.

I consider that, of all expenditures on social services, expenditure on Chinese primary education should receive first consideration. If we were able to prevent, by providing proper education, a large number of young people from falling into the criminal class, it would relieve this Colony from other heavy burdens such as increased police force.

With regard to the recently established Immigration Department I wish to make the following observations. I believe that the imposition of restriction on free immigration was a new departure of the well established policy of the Colony to keep this place open to the Chinese. I must say restriction of this kind is quite a common practice in other parts of the world but with this colony's close relation with China, such a step can only be considered as an emergency measure forced upon us by prevailing circumstances. I believe that many of the social evils prevailing in the Colony are closely connected with this difficult problem of excessive population and I have, therefore, no hesitation in agreeing that some sort of restriction on the ever-growing population is, at the present time, desirable. I presume that it was on economic grounds that Government had been advised to introduce this measure

## An Assurance

When this measure of immigration control was brought before this council for consideration last November, the Government assured us that "the Immigration Department is to be administered in the interest of passengers and all shipping generally and not to cause any obstruction or inconvenience that can be possibly avoided." In spite of this assurance there have been many complaints against the administration of this department. From the general public these complaints have been mainly directed against the difficulty in obtaining the necessary forms, the unusual delay in issuing certificates and the insistence that photographs must be taken by "approved" firms. From the shipping concerns they have been connected with the undue delay in the examination of passengers' papers and the absence of posting immigration officers on board ships to facilitate such examination. The Chinese member on the Executive Council as well as my two Chinese colleagues on this council and I have found it necessary to address a joint communication to the Honourable the Colonial Secretary in regard to some of these complaints and in our opinion there are urgent needs for reform in the method of conducting this department. I may add that the attitude of those in charge of this department towards the general public is not at all helpful.

On the question of Food Control, I wish to urge Government to pay its closest attention to the recent rise in the cost of living in the Colony particularly rice and firewood. These are the two daily necessities of the Chinese Community. The rise in the prices of these two commodities is a serious matter for the Chinese, particularly the middle and poor classes, and I consider that Government should take vigorous measures to combat this evil. With regard to rice I know that measures had been taken and are being taken by Government to check the abnormal rise in the price of this commodity at the end of 1940. While I recognise that such measures have, to a certain extent, met with some success, I feel that Government should now review the whole situation carefully with the object to secure an effective control over the rice stock in the colony both in regard to quality as well as quantity. There has been a report that some of the stocks are of such a poor quality that they are not fit for human consumption.

## Firewood Ramp

The position of firewood in the domestic life of the Chinese community is second in importance to that of rice. The situation has gone from bad to worse during the last few months. This might have been caused by seasonal demands such as the Chinese New Year but I have no doubt that it has been aggravated by the activities of unscrupulous profiteers. It has been proved that the cost of firewood imported into Hong Kong including freight and all landing charges is far below the prevailing market price demanded by exorbitant dealers. I understand that Government are now taking measures to relieve the present situation and I believe that such measures will meet with success.

Before I resume my seat I wish to say how regrettable it is that we have found it necessary to cut down a good deal of Public Works Extraordinary not so much as a desire to balance the budget but as an effort to conserve, although in a very small way, the much needed foreign currency and tonnage for the successful prosecution of the War. I realise that the tendency to-day is for Government to play a more pronounced part in the social and economic life of the community and to shoulder increased responsibilities and additional duties. I hope that with the return of peace it would be possible for this Colony to go forward with such increased responsibilities and additional duties.

# INDO-CHINA GETS AIRMEN FROM FRANCE

Airmen from the French Air Force, who arrived in Saigon on February 8 from France, have been assigned to several Indo-China bases in Saigon and strategic points in Cambodia and Laos, says a Japanese report from Hanoi.—Reuter.

# BOMBS IN SCOTLAND

BOMBS WERE DROPPED AT TWO PLACES ON THE NORTH-EAST COAST OF SCOTLAND YESTERDAY MORNING, STATES AN AIR MINISTRY COMMUNIQUE.

Some damage was done to buildings and there was a small number of casualties.

A few bombs were dropped near the East Anglian coast but did little damage and nobody was seriously hurt.—Reuter.

# GAVE HER CAKE TO LONELY SOLDIER

It was the silver wedding of Mr. and Mrs. Alec Townsend, of the Greyhound Inn, Brighton, but their iced cake was eaten instead by half a dozen lonely R.A.S.C. drivers in a billet miles from home.

Mrs. Townsend had treasured the icing sugar she had saved for her cake.

Then she heard of a lonely soldier with nobody to make him a cake for his twenty-fourth birthday, which he had planned to celebrate in his billet with Army pals.

Mrs. Townsend brought out the icing sugar, made the birthday cake and packed a 15lb. parcel for the party.

"I just saved a little of the icing sugar for a cake to celebrate when my own son Terry gets his first leave," Mrs. Townsend said.

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# RACING IN TIENTSIN TO BE REVIVED SOON

## Committee To Promote Sport

## FIRST MEETING IN THE SPRING

**ALTHOUGH RECENTLY frowned upon by the Japanese-sponsored Chinese municipality, the Sport of Kings is to be revived in Tientsin — and under the auspices of the same Chinese Municipality.**

In order "to promote horse racing and to bring prosperity to the port," a so-called Tientsin Race Committee, of which Mayor S. T. Wen is chairman, is reported to have been formed. Colonel Yamashita, chief of the Japanese Special Military Mission, is said to be adviser to the new body.

The first race meeting under this new committee, all members of which are either Japanese or Chinese, is expected to be held in the Spring.

Before the Municipality changed its attitude towards racing, Chinese lovers of the sort were discouraged from attending meetings of the Tientsin Race Club, primarily a British enterprise.

### Taken Off In Black Marias

Those venturing to disregard the advice were rounded up and driven off in Black Marias. Even the native staff of the Race Club experienced difficulty in getting out to the course and returning to their homes at the end of the day. Armed police were stationed all along the route leading to the course during meetings.

All these restrictions led to the Chinese public staying away, and eventually the Race Club had to run its meetings "for members only," which proved highly unremunerative and forced the Stewards to dig into the reserve fund to provide stakes for owners.

The original reasons advanced by the Mayor's office for the ban on the attendance of Chinese at race meetings were that conditions were unsettled in North China, gunmen were active, and terrorists were liable to mingle among the crowds to cause serious disturbances.

### Negotiations With Chinese

Negotiations, however, were continued by the Tientsin Race Club with the Mayor's Office, and last autumn a set of provisions were outlined by the Chinese authorities on the basis of which the restrictions would be removed. Among these provisions, it is understood, was one stipulating that receipts and their distribution should be subject to the supervision of the Mayor's Office. To this the Race Club had no objection, particularly as a definite percentage scale is openly in existence as regards prize-money and the Race Club's share.

There was another stipulation requiring that the racing should be "under the control of the Municipality." The Race Club asked for elucidation of the term "control", but none was forthcoming until an announcement in the Chinese press that the Chinese Municipality is to conduct racing. — Reuter.

## CRACK SPRINTER AT 50

**There are bookmakers' runners and bookmakers who run, but here is a pukka bookmaker, Cecil Bailey, who is also a genuine Powderhall sprinter, writes a correspondent.**

He is probably the best in the fifties in the country, and he says he is going to set up a new age record by winning the big pro' sprint to be held soon.

He has been combining both his businesses at race meetings lately, and those who snooped in at his winding up gallops tell me Cecil is moving like a champion in spite of his 53 years.

He has run in at least 25 Powderhalls. He still finds inspiration, I expect, from the fact that a bookmaker, David Roberts, has won the event twice.

## CLUB ONLY SIDE TO IMPRESS IN SEVENS MATCHES

**By "Scrum-Half"**

**The four Seven-A-Side Rugby Tournament matches yesterday on the Club ground provided a standard of play much below that of last season, only Club "A" inpressing, and even they had a weakness that may cost them the title—Walkden was "out-hooked," and the forward trio need to exert themselves more in the set scrums.**

Behind the scrum Club are exceptionally strong in attack, though their defence is problematical. "Granny" Bidwell made a welcome return and he struck form in his first game in months.

Van Leeuwen, Thomson, Stewart (Bidwell converted) and Bidwell scored Club's 14 p's.

Middlesex "A" were swept off their feet by the open play of their opponents, with the result that Van Leeuwen was not tested, but I still think Club can improve their seven by the introduction of Davies, normally a wing-forward, or Lavalle, a vastly improved

player. Both are faster than van Leeuwen and their tackling is sounder.

Police "B" almost eliminated Civil Service. Had their three heavy forwards been able to last the fast pace they themselves set they would have won by an unconverted try scored by Rose early in the first half. As it was the elusive Morgan, key man in the Civil Servants' line-up and who was not as closely watched as he might have been, levelled the scores with a snap try in the closing minute, and in the third half of extra time Forrow, who had previously thrown away two glorious opportunities—once he attempted a dropped goal from 40 yards instead of making a dash for the corner flag—went over for the winning try after knocking on a good pass from Morgan, who gave him a clear passage to the line.

### Too Much Kicking

Police were all over their opponents in the first half, but once their forwards eased up they lost their grip on the game. Fay and Dingsdale refused to make any attempt to open up the game, preferring to find touch.

Combined Small Units "B" upset my forecast when they beat 12th Heavy Regt. "A" by a try scored from the kick-off for extra time by Wigglesworth, who was always prominent. The kick was attempted, though it was not necessary as the side which scores first during extra time wins.

Small Units were cleaner in their handling of the slippery ball and their tackling was always deadly.

Eddison, who made one really good dribble that gained 30 yards and almost produced a score, and Pratt were others to shine for them.

Bompas and Keeble did well for Gunners, who never settled down to the heavy conditions.

Royal Engineers did not show their best form against 8th Heavy Regt. "B" and a try by Davies that was converted by Birrell with a grand kick was their only score, though, individually, they were much superior to their opponents.

Results were as follows:

| | | | |
|---|---|---|---|
| R.E. | 5 | 8th H.R. "B" | 0 |
| C.S.U. "B" | 3 | 12th H.R. "A" | 0 |
| C. Service | 6 | Police "B" | 3 |
| Club "A" | 14 | Middlesex "A" | 0 |

## SERVICES SIDE FOR SATURDAY

Following have been invited to represent Combined Services against Combined Club and Police on Saturday on the Club ground at 4.15 p.m.—Honywill (Navy); Richards (Army), Douglass (Army), Paul (Navy) and Birrell (Army); Carter (Navy) and Rutherford (Navy); Sutherland (Army), Watson (Navy), Bompas (Army); King (Navy), Millar (Army), Pinkerton (Army), Berry (Army) and Poole (Navy).

## MOVE TO BOYCOTT AXIS 'SPORTSMEN' AFTER THE WAR

**A SHORT WHILE AGO I wrote of forming a "never again" club with a membership pledged to boycott all sporting events after the war in which the entries of Germans and Italians had been accepted, writes L. V. Manning. I started an avalanche—two avalanches in fact. One thunders approval. The other screams abuse.**

But I think it will surprise and shock most of the readers of this column to know there are still folk who, with the Nazi mind so starkly revealed, can still preach the gospel of "forgive and forget" which proved such a world tragedy in 1918.

Even those lofty souls who can do both, one imagined, would at least agree that nations which do not understand the meaning of sportsmanship and fair play had best be left to play with themselves.

### Lest We Forget

The F.A. in May, 1938, paid its own team expenses to Berlin on the German F.A.'s promise that Germany would do the same for a match in London on 1940. The stolen gate was £27,000, which no doubt went into the local Messerschmidt fund—pronto!

A year nearer the war break. May, 1939, an Italian full-back punched George Male in the face and the ball into the net with England winning 1-0. A German referee called it a goal!

This after the Italians had horrified the sporting world in the infamous international at Highbury, 1934, and in another international a brave young sportsman spat in the face of an English referee.

### Hear The Colonel

Well, there's always the other fellow's point of view, so consider this—from a retired colonel.

"I read with great disgust your absurd proposal to boycott all German and Italian sportsmen after the war.

"This persecution of a man for his race is not only un-British—it smacks very strongly of Nazism.

"Hitler persecutes the Jews, and you want to follow his example and persecute the Germans and Italians.

"Rubbish, my dear sir. Let us forgive and forget, and show we British still retain some sense of fair play. I regard your views as a disgrace," etc.

### Some More

And this from the secretary of a well-known London cricket club:—

"I have read your sporting page for a long time and enjoyed your remarks, but this idea of a Never Again Club disgusts me beyond all words that I can put in a letter.

"I had an idea we were in this war with the purpose of establishing freedom as far as possible. If that is so, I should have thought that freedom in all sporting events should be one of our foremost aims.

"If, on the other hand, we are only going to mix with a restricted number of countries why carry on the war?"

From the majority side of my post I'll be content to select just one brief letter. Here it is:—

"Hearty congratulations. Count me an enthusiastic member—An English Mother of Three English Children, Sussex."

## "NEEDLE" CRICKET MATCH

A match which will probably decide the Senior Cricket championship will be played on Saturday at Cox's Road. It will be between the holders, Kowloon Cricket Club, and Club de Recreio and the following teams have been selected:—

Kowloon C.C. — E. C. Fincher, N. D. Lloyd, D. J. N. Anderson, E. F. Fincher, N. A. E. Mackay, D. Hung, A. Zimmern, F. R. Zimmern, R. E. Lee, F. J. Lay and R. T. Broadbridge. Scorer T. W. Carr; Umpire J. R. Robinson.

Recreio. — E. L. Gosano, W. A. Reed, A. M. Rodrigues, A. M. Pdata, H. L. Ozorio, L. G. Gosano, J. M. Gosano, G. N. Gosano, E. M. L. Soares, N. A. Beltrao and P. M. N. da Silva, jr.

## LEAGUE TABLE

SECTION "A"

| | Games P. | L. | W. | F. | A. | Pts. |
|---|---|---|---|---|---|---|
| King's | 6 | 1 | 5 | 39 | 10 | 10 |
| Chung Wah | 4 | 1 | 3 | 27 | 9 | 6 |
| Recreio | 5 | 2 | 3 | 24 | 21 | 6 |
| V.R.C. | 4 | 3 | 1 | 10 | 26 | 2 |
| J.R.C. | 6 | 6 | 0 | 12 | 42 | 0 |
| SECTION "B" | | | | | | |
| K.C.C. | 6 | 0 | 6 | 36 | 19 | 12 |
| St. John's | 6 | 1 | 5 | 37 | 17 | 10 |
| St. Andrew's | 6 | 4 | 2 | 27 | 27 | 4 |
| Kowloon Tong | 6 | 4 | 2 | 24 | 30 | 4 |
| Police | 6 | 6 | 0 | 11 | 43 | 0 |

## ST. JOHN'S BEAT ST. ANDREW'S

St. John's beat St. Andrew's by 6 games to 3, in "B" Division of the Badminton League, on the latters' court last night.

E. F. Fincher and H. Kew (St. Andrew's),
lost to D. Kwok and H. Eardley 12—21
lost to N. L. Smith and P. Wilson 21—21
beat G. S. Ladd and R. Maynard 21—3

H. Brown and S. A. Gray (St. Andrew's).
lost to Kwok and Eardley 22—24
lost to Smith and Wilson 21—21
beat Ladd and Maynard 21—12

M. M. Davies and B. Gillespie (St. Andrew's).
lost to Kwok and Eardley 12—21
lost to Smith and Wilson 12—21
beat Ladd and Maynard 21—14

### J.R.C. v Recreio

In a match on the fixture-list for yesterday which was played last week, Club de Recreio beat Jewish Recreation Club by 6—3.

Following were the scores:—

S. Ramler and B. Godkin (J.R.C.).
lost to C. C. Pereira and E. A. R. Alves 13—21
lost to W. Lawrence and A. E. Noronha 16—21
beat A. E. Xavier and E. M. Alarcon 21—12

J. Odell and M. Talsh (J.R.C.).
beat Pereira and Alves 21—16
lost to Lawrence and Noronha 13—21
beat Xavier and Alarcon 21—11

A. R. Pollak and L. Landau (J.R.C.).
lost to Pereira and Alves 19—21
lost to Lawrence and Noronha 3—21
lost to Xavier and Alarcon 7—21

### Match Postponed

The match between Kowloon Tong and Police was postponed.


## FOR THE 1 MAN IN 7 WHO SHAVES EVERY DAY

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**Dailyshaving leavesmanymen'sfaces raw and sensitive. Yet, because of his business and social status, one out of every 7 men must shave every day.**

***To meet this condition,*** **Williams has now developed GLIDER—a special cream for daily shavers. With no soap base, it's a complete departure from ordinary shave creams. No brush. No lather. Not sticky or greasy.**

***A superabundance of moisture*** **is contained in this rich cream. It won't dry on your face. Applied with the fingers, it quickly softens each whisker. A protective layer is formed over which your razor glides. Off comes each hair at the base without scraping. Like a cold cream, Glider helps keep your skin smooth all day. Glider is the result of nearly 100 years experience in making fine shaving preparations.**

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# Owen-Smith Best Full-Back For The Past Decade

**CHOOSING THE OUTSTANDING PLAYER IN ANY SPORT OVER A PERIOD OF YEARS IS ALWAYS A CONTROVERSIAL MATTER, AND VIVIAN JENKINS, THE FAMOUS WELSH RUGBY FULL-BACK, HAS SHOWN GREAT COURAGE IN NAMING H. G. OWEN-SMITH, THE SOUTH AFRICAN RUGBY AND CRICKET INTERNATIONAL, AS THE BEST FULL-BACK OF THE PAST DECADE.**

Jenkins, writing in the "News of the World," narrows his choice down to three men (he modestly omitted his own claims) and finally plumped for Owen-Smith. The others in the running were Gerry Brand, another South African, and Jack Bassett, of Wales.

In praise of Owen-Smith, Jenkins writes:

### Brilliant Full-Back

"Far and away the most brilliant exhibition of full-back play in my recollection was that given by this amazing little athlete in the Oxford-Cambridge match of 1933.

"Oxford won by five points to three; without him they might easily have lost by 20.

"What, then, do I ask in a full-back?

"Artistry? Most certainly, and by it I mean elusiveness and catching and kicking ability. Guts? Even more so—it implies tackling and falling, or 'taking the bumps,' and means points, as opposed to titivating the crowd's humour.

"But guts without aristry becomes rather dull, and artistry without guts is as useless as a glass-house in an air-raid.

"A full-back should possess both. Add to them the right temperament, and an occasional touch of the unorthodox, and, seeing that I do not consider place-kicking the especial prerogative of full-backs, you have my ideal man for the position.

## CECILIA COLLEDGE TO SKATE AGAIN

**One of the sports which has suffered an almost total eclipse is ice skating writes a correspondent from London.**

That some people have missed it is reflected by my postbag, and the disappointed ones may have their hopes raised by the news that Richmond Ice Rink is brave enough to reopen.

Interesting because it will give fans a chance to see Britain's ice queen, Cecilia Colledge, in action again during the afternoon session.

## RIGHT START ESSENTIAL TO GOOD BOWLING

**By Freddie Fischer**

*(World All-Events Champion)*

Anyone can learn to bowl, although it usually takes years of experience to develop a bowler of championships calibre.

I started at the age of 12, when I was setting up pins in an alley near my home, and started match bowling when I was 14. Anyone starting that young, however, should consult an instructor or alley proprietor, for it is easy for a young kegler to pick up bad bowling habits which he will have trouble correcting.

A few instructions from a competent tutor may means years in a bowler's development.

Many young men develop into fine bowlers, but I believe that most men reach their peak form at about 30 or thereafter, and then begin to lose some of their control.

Bowling is a sport which can be enjoyed throughout life. Phil Wolfe won the American Bowling Congress all—events championship at the age of 60, and I won it at 51, although most titlists have been somewhat younger.

One of the most important things in bowling is mental attitude. Perhaps more than in any other sport, tension is fatal. You can't "put on the pressure."

Remember that bowling is primarily a form of amusement, not a matter of life and death. With that attitude, you'll not only get more pleasure out of bowling—you'll probably roll better scores as well.

## NEW RACECOURSE AT WINDSOR

**There is no more criticised racecourse than Windsor, but not being a racing regular I have always found its picturesque riverside setting both attractive and refreshing, writes L. V. Manning.**

I now hear from Captain Robert Busby, clerk of the course, that big schemes are afoot for remodelling the whole place.

The war, of course, has held up ideas for the time being, as at Lincoln, but I can tell you Mr. Busby, who is largely responsible for the excellence of Manchester's arrangements, hopes to rebuild the cheaper stands and to widen the present rather dangerous bend near the paddock.

The new Windsor should silence all but the chronic grousers who will always be with us.

## NEW YORK BETTORS EXPECTED TO GET PENNIES IN 1941

New York legislators, studying first-year operation of the parimutuel betting machine system, found that the state benefited to the extent of $800,000 by not paying off the odd cents on winners' takings. Half the amount went to the state, the other half to the tracks.

The law is expected to be modified at the legislature's next session to give patrons all the money they win, including pennies.

Another probable change calls for disposal of uncollected bets—which in 1940 amounted to about $67,000—to some charitable fund connected with the turf. Racing men regard the present system of confiscation by the state as virtual robbery.

# TANGIER DISPUTE

## Anglo-Spanish Negotiations Still Hang Fire

## NEW U.S. BATTLESHIP NEARLY READY

The new United States 35,000-ton battleship Washington will be commissioned on May 15, six months ahead of schedule, the Navy Department announced yesterday.

The Washington's main armament consists of nine 16-inch guns.—Reuter.

## R.A.F. KEEPS UP HEAVY RAIDS ON DODECANESE

Very fierce activity by the R.A.F. and the South African Air Force was the feature of yesterday's Cairo communique.

The communique reveals that aerodromes in the Dodecanese Islands were raided on the nights of February 16, 17 and 18.

In addition, during the last two days the R.A.F. has maintained concentrated attacks on enemy positions in the Tepelini area in support of the ground forces.

Enemy troops concentrations in two villages to the north of Tepelini and military buildings were heavily bombed.

Continued support has been given to the British troops on various fronts in Italian East Africa.

Several raids were carried out on Keren. — Reuted.

## Serious Views Expressed

**THE ANGLO-SPANISH negotiations over Tangier are still hanging fire.**

The Under-Secretary for Foreign Affairs, Mr. R. A. Butler, told questioners in the Commons yesterday he regretted he was still not in a position to make a final statement.

Mr. F. Cocks (Lab.) asked whether the Spanish pledge that the neutrality of Tangier carried an assurance that Tangier would not be used as a base for operations against French Morocco.

Mr. Butler, on behalf of the Foreign Secretary, refused to accept the implications which appeared in that query.

Mr. Geoffrey Mander (Liberal) asked: "What is holding up a settlement, in view of the fact that many weeks, if not months, ago unilateral action was taken in abuse of British rights"

"Is it not time we got some satisfaction?"

### View Shared

Mr. Butler said that Mr. Mander's view was shared by Government and added that the Spanish Foreign Minister had been away from Madrid and that accounted partly for the delay. Mr. Eden had already said the negotiations had been proceeding satisfactorily. — Reuter.

## SENATE STILL DEBATING

Enactment of the Aid for Britain Bill would mean American intervention in the European conflict, said Senator Bailey (North Carolina, Dem.) during the third day's debate in the Senate.

He continued: "I hope this intervention may not mean war, but if it does I am ready for it."

Senator Bailey contended that the Lease and Lend Bill would give the United States a better chance for ultimate deliverance from a totalitarian world revolution.

*SENATOR CONNOLLY, OF TEXAS, ANOTHER DEMOCRAT, HAD OPENED THE DAY'S DEBATE BY OBSERVING THAT THE WORLD'S DEMOCRACIES MUST ALL "HANG TOGETHER OR THEY WILL HANG SEPARATELY."*

He predicted that an attempt would be made to invade North and South America if the Axis powers were victorious in Europe. —Reuter.

## HUGE INDIA RAILWAY SURPLUS

An unprecedently large surplus of nearly £11 million (exceeding by over £7,500,000 the previous year's surplus) is revealed in the Indian Railway Budget for 1940/41.

Presenting the Budget the Government spokesman said traffic connected with the war effort was a preponderant factor in the surplus; furthermore 305 miles of railway were dismantled for purposes of economy.

All available skilled labour, materials and machine-tools were required for war work, particularly munitions, and many workshops were now entirely employed in war work. — Reuter.

## ENEMY SHIPPING LOSSES

Enemy merchant shipping losses have been increased by 257,000 tons since January 7, according to authoritative sources in London yesterday.

These losses included ships sunk or captured at Derna, Tobruk and Benghazi.

British and Allied losses between January 5 and February 10 totalled 248,493 tons.—Reuter.

## Vichy To Try De Gaulle Adherents

A big trial of officers who have joined General de Gaulle's movement is to begin on Tuesday next at Gannat, 10 miles west of Vichy, states a Vichy despatch to the official German news agency. The proceedings will not be open to the public.—Reuter.

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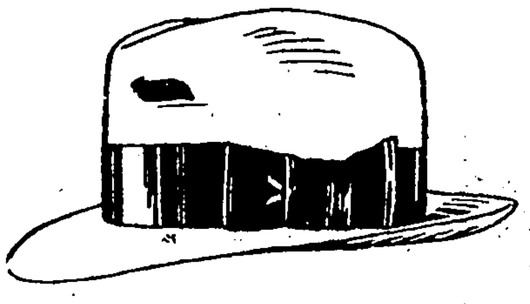

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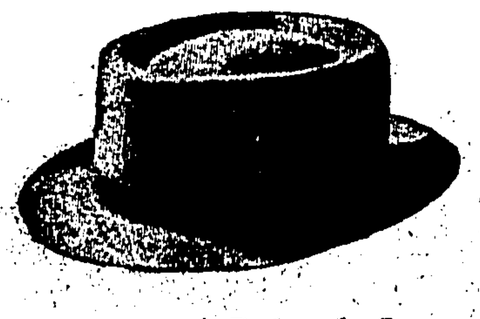

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# GOVERNMENT UNDER FIRE

See Pages 2 and 3

LATE NIGHT FINAL

RICKSHAW BRAND CEYLON TEA


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# JAPAN MUST LEAVE THE AXIS

## America's Condition For Talking Compromise

## Military Attaches Appointed In Thai, Malaya And Indies

(SPECIAL TO "CHINA MAIL")

**INTERNATIONAL NEWS LEARNED IN WASHINGTON LAST NIGHT THAT OFFICIALS HAVE INTIMATED THAT JAPAN MUST WITHDRAW FROM THE AXIS ALLIANCE IF SHE WISHES TO IMPROVE RELATIONS WITH THE UNITED STATES.**

**As long as Japan remains a member of the alliance the United States Government will refuse to consider any compromise arrangement with her on the Far East situation.**

This United States Government policy is based on the conviction that Japan's presence in the alliance constitutes a direct threat to United States security and on the position that the United States is definitely committed to support Britain in the war to halt the extension of German power in Europe and throughout the world.

### New Development

Indicating the United States Government's determination to watch closely any Japanese moves southward in the Pacific, the War Department yesterday announced that military attaches are being sent to Singapore, Bangkok and Batavia.

**This is the first time the United States has assigned a military attache to Thailand.**

It was simultaneously disclosed in Washington that for the first time in her peacetime history the United States has more than a million men actually under arms in the Army, Navy and Marine Corps.—International News Service.

## *Crisis In The Balkans*

## HOW ONE OBSERVER SEES IT

(SPECIAL TO "CHINA MAIL")
(By Capt. J. M. Craigie, U.S. Marine Corps, Retired)

**The fighting Greeks have been left out on a limb which Hitler has already sawed half way through with the Turco-Bulgar pact and threats are being put on them to sign a peace with Italy on Mussolini's terms.**

Hitler's moves can most reasonably be predicted by knowing what he must do to win the war and not by listening to what he says.

Mussolini must be rescued. Hitler needs oil. This is being used to propel the British Fleet and the tanks of the Imperial Army of the Nile to victory over Italy.

Five hundred miles from Iraq Egypt. Let German troops occupy Suez and Alexandria and the blockade of the Mediterranean would fold up like an umbrella.—International News Service.

## STARTLING ROME RADIO ANNOUNCEMENT

(SPECIAL TO "CHINA MAIL")

Rome radio said last night that Japan, "aware that the task of conquering China is too great," is seeking international cooperation in the development of Chinese markets.

The announcer said Japan's plan envisages "room for Britain and the United States." — International News Service.

## TURKISH PROTEST IN SOFIA

(SPECIAL TO "CHINA MAIL")

Acting on instructions from Ankara the Turkish Minister to Bulgaria last night visited the Bulgarian Foreign Office and protested against Sofia newspaper statements that Turkey had withdrawn her obligations to Greece. —International News Service.

## SOVIET WARNING

(SPECIAL TO "CHINA MAIL")

A warning was given yesterday by the Soviet Vice-Commissar for War urging the people to keep their powder dry and spare no means for the production of 'planes, guns and munitions, according to a message from Moscow.—International News Service

## MISHAP TO ACTING GOVERNOR

It was revealed at the opening of the Budget Debate in Legislative Council his morning, that His Excellency Lt.-General E. F. Norton, had an accident while out walking yesterday.

The Hon. Mr. N. L. Smith, who presided in the absence of General Norton, opening the proceedings, said: "I am sure I may express on behalf of this Council our deep sympathy and hopes for a very early recovery."

### Fall Into Nullah

It is learned that His Excellency was out walking yesterday afternoon in the neighbourhood of Wongneichong Gap with Major-General A. E. Grasett when he slipped and fell into a nullah and struck his head.

General Norton was knocked out for a few minutes but later recovered sufficiently to walk to a car to take him to Government House.

His Excellency is suffering from slight concussion and a few minor bruises, and has been ordered absolute quiet for 48 hours and no engagements before Monday.

There is no cause whatever for any anxiety.

## AUSTRALIA AT THE READY

The Australian Government has taken added precaution against the development of a sudden emergency after reviewing Australia's defence system, said the Acting Prime Minister, Mr. Fadden, in a speech in Melbourne yesterday.

No action would be taken and word spoken, he said, which would shatter peace in the Pacific.

"If the war comes to our front door, it will not be of our choosing.

"Let nobody think we are helpless and unfitted for such a supreme test," he concluded.—Reuter.

WEATHER FORECAST:—North-east winds, moderate; cloudy with occasional rain, fog or mist later.

## *India And Far East Crisis*

**The Far Eastern crisis is being closely watched all over India, and news of the arrival of Australian troops in Singapore was greeted with general satisfaction.**

It is recalled that large numbers of Indian troops have been drafted to Malaya and the vigorous training they have since undergone has given them a thorough knowledge of the country.

Reuter learns that the Government of India is fully prepared for any eventuality.—Reuter.

## RAIDERS OVER YORKSHIRE

An Air Ministry and Home Security communique issued at 8.50 last night states: "There was a certain amount of enemy activity this afternoon mainly over Yorkshire and Lincolnshire. Some bombs were dropped but reports so far received indicate little damage and few casualties were caused." — British Wireless.

## EXPORT CONTROL IN BRITAIN

So that the utmost possible benefit may be derived from United Kingdom exports and with a view to ensuring that the volume of exports is kept within means of payment, an order has been made by the Board of Trade which subjects to licensing control all goods exported from the United Kingdom to Brazil, Chile, Colombia and Peru.—British Wireless.

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# GOVERNMENT UNDER HEAVY FIRE IN DEBATE

## Unofficials Strong In Criticisms

## INEFFICIENCY ALLEGED

**SHARP CRITICISM OF GOVERNMENT'S ADMINISTRATION FORMED THE FEATURE OF UNOFFICIAL SPEECHES IN LEGISLATIVE COUNCIL THIS MORNING WHEN THE BUDGET DEBATE WAS OPENED ON THE FIRST READING OF THE APPROPRIATIONS BILL.**

**It was revealed that the new block at Police Headquarters is not to be proceeded with, nor the new Infectious Diseases Hospital in Kowloon.**

Unofficial Members strongly condemned the raising of the Income Tax "bogey" and argued that if further war revenue is required it should be raised within the framework of the existing tax scheme with, perhaps, some of its "iniquities" ironed out.

**Chinese members of Council were vigorous in criticism of the working of the Immigration Department, and there were suggestions in the speeches of several members that an inquiry should be held into allegations of inefficiency in certain departments.**

The Hon. Mr. Leo d'Almada, for instance, declared: "I suggest, Sir, that Government emulate the Dictators in one regard, and take measures to purge its ranks."

Moving that the Estimates for the year 1941-42 as now presented, be approved, the Hon. Mr. N. L. Smith said:

On 16th January, 1941, by a Resolution of this Council the draft estimates of expenditure for 1941-42 were referred to a Select Committee consisting of myself, the Financial Secretary and all unofficial members of this Council. We now present our report in the form of the amended print bearing to-day's date.

As foreshadowed in the speech of the Honourable Financial Secretary on 16th January the provision for the construction of a new Lighthouse Tender has been excised.

It has also been decided not to proceed during the coming financial year with the building of the proposed new block of offices and quarters at the Central Police Station, though a token vote of $50,000 remains in the draft estimates to cover any expenditure that may have been incurred in the preparatory work of drawing up plans, etc.

**Similarly the Select Committee felt that the times are not sufficiently propitious and the plans not sufficiently matured to permit the building of the proposed new Infectious Diseases Hospital at the Kowloon Medical Centre.**

The Budget Committee realises that this hospital is recommended in the Technical Hospitalisation Committee's report, 1938-1939, as the first major item in a long-term programme but it feels that, apart from difficulties of providing the necessary building materials, this is not the time or place to embark immediately on this hospital. The sum of $100,000 has however been provided which is larger than the usual "token vote" in case it may be possible in the coming year to make a start.

The provision of funds for the equipment of this hospital has been omitted, as it is felt that, apart from the uncertainty which surrounds the hospital itself, there are at least hopes of considerable emergency stores being available during the coming financial year. Under Charitable Services provision has been made for a grant of $10,000 to the British Fund for Relief of Distress in China and under Miscellaneous Services, in response to pressing representations from the University Authorities, the annual grant to the University of Hong Kong has been increased by the sum of $100,000.

### Nightsoil Plan In Abeyance

The Select Committee also brought under review the matter of the institution, at a cost of over four lakhs, of a system of night-soil removal by labour directly employed by the Sanitary Department. As it is impossible in present circumstances, to proceed with the complete scheme as recommended by the Health Authorities, considerable doubt was expressed as to whether the benefits to be gained by the substitution of coolies employed by Government for the existing free-lance coolies would be commensurate with the expenditure involved: it was decided, however, that the provision for the emoluments of the 2,000 coolies should be allowed to stand in the draft estimates on the understanding that no actual expenditure will be incurred without the specific approval of the Finance Committee after further consideration of the whole matter. There was insufficient time, when this item came for consideration, to reach a final decision on this important question and the Finance Committee desires an early opportunity of a full discussion with the Health Authorities, upon which will depend the question of authorising actual expenditure.

The following are the items which have been omitted or reduced:—

Harbour Department. Personal Emoluments. Crew for New Lighthouse Tender $3,471.

New Lighthouse Tender $600,000.

Medical Department, Equipment for New Infectious Diseases Hospital $103,590.

Public Works Extraordinary. Central Police Station:— New Block (Reduced from $800,000 to $50,000) $750,000.

Infectious Diseases Hospital (Reduced from $500,000 to $100,000) $400,000.

### New Duties

Turning to the other side of the picture, the new or additional duties on table waters, hydrocarbon oils and liquor which were imposed with effect from 16th January have necessitated a revision of the estimate of revenue: revenue from Duties will, it is now estimated, amount to $15,690,000 instead of $13,740,000.

**The estimated deficit of $7,553,776 shown in the draft estimates as presented on 16th January is thus reduced to $3,856,715.**

Lastly, I would remind Honourable Members that every item of Special Expenditure in all departments and every item of Public Works Extraordinary requires the independent sanction of Government apart from the general provision offered by the Appropriation Bill.

**Should revenue fall short of expectations or should expenditure at present unforeseen be incurred that sanction will be withheld.**

Besides thanking, on behalf of the Government and, I think I may say the whole Colony, the Unofficial members for the time and labour which they gave to the preparation of the estimates in their revised form, I should like to express my particular gratitude to the Financial Secretary and to his assistant, Mr. Todd. I am very conscious of my own shortcomings in this respect but I feel sure that Honourable Members will appreciate that during the past few months it has been physically impossible to devote the time and attention that are normally expected of a Colonial Secretary in framing the financial policy for the coming year.

### MR. PATERSON'S BRIEF SPEECH

The Hon. Mr. J. J. Paterson, opening the debate for the unofficials said:—It is usual for the Unofficial opening the debate to deal with those matters on which we are all agreed and in which no other member has any very special interest. This procedure this year leaves me little to say.

We have written His Excellency about the conduct of some of Government's affairs which we sadly feel to be bad.

**This will we hope be dealt with at another time; we do wonder how it is that, alone of all the Services and unlike the business world, no member of our local Heavenborn is ever dismissed for inefficiency. Perhaps the answer is that none is ever inefficient.**

The budget is a good budget and on behalf of all the unofficials I would like to thank our Financial Secretary for the very great care he has taken of the Colony's finances.

We have suggested the postponement of various works which we believe can very well keep until later and these have been agreed to, I think the result lies on the table. There is one item however which still remains open, the collection of night soil by Government at a cost of $384,000 for coolies only, we firmly believe supervision can be given to the existing arrangement until we can see more clearly what the future holds for us.

### Incomprehensibility

The necessity for Evacuation is at last apparent; I feel that some part of all three parties to it behaved badly, the Colonial Government which failed completely to make proper arrangements ahead of the event, some of the evacuees who continue to complain I think unduly of hardships which when viewed in the bomb-light of Coventry are little enough, and the Home Government when it failed to enforce laws laid down and allowed non cooperation to succeed. A Trinity of Incomprehensibility which reminds me of St. Athanasius, his creed.

### MR. DODWELL ON LIGHT TAXATION

The Hon. Mr. S. H. Dodwell said:—Amendments to the Budget recommended by the Select Committee and agreed to by His Excellency have considerably reduced the deficit originally foreshadowed by my Honourable friend the Financial Secretary.

Everyone must regret the need for the pruning that has taken place, and must also admit that we lag behind lamentably in the matter of social services. The leeway must be made up as soon as possible, but surely it is nothing less than lunacy to spend large sums on elaborate hospitals and police stations on the surface of the ground while at the same time we are building a network of air raid shelter tunnels under it.

**I am very glad indeed that the Government have agreed to include an extra $100,000 for the University, of which the revenue has been so badly reduced by the fall in the value of the Chinese National Dollar that it can barely carry on in a manner befitting the Colony.**

Our prestige is at stake, and it seems to me we should either run the University efficiently, or not at all.

### Lightly Taxed

My Honourable friend the Financial Secretary considers it inevitable that we increase our War Taxation and favours an Income Tax rather than an increase in the present War Revenue Ordinance rates. Except as regards the Salary Tax, I am not affected by our local taxation, my Company being registered at Home. My views therefore are perhaps suspect. In comparison with Home taxation the Colony is of course ridiculously lightly taxed.

**At the same time, I am not in favour of increasing taxation on the low level incomes.**

Married men with salaries around say $10,000 per annum are I know finding it increasingly difficult to make ends meet. Cost of living statistics show a very substantial rise and those young married men with evacuated families and two households to maintain, should receive greater consideration in the allowances for wives and children, provided they pay their evacuation maintenance expenses themselves. I am also strongly in favour of exempting charitable contributions from taxation. This is done at Home and if it isn't done here our charities will surely suffer.

### Iniquities Of Bill

I am convinced that a change from the present compromise taxation to a straight income tax would lead to the same unfortunate opposition that it encountered last year. Rather I think we should endeavour to iron out some of the iniquities of the present Bill. There must surely be a great advantage in knowing what revenue it produced on the basis of 1939.

**On that of 1940, even at the same rate, it should produce more, whereas to force an income tax on an unwilling Chinese population might easily lead to our getting less revenue and cost us more to collect.**

During the deliberations of the Select Committee, the conduct of certain Government departments came in for much adverse criticism. My Honourable friend the Senior Member has already dealt with this matter, but I should be lacking in my duty were I not also to stress the extreme seriousness of the many adverse reports and complaints which far too many members of the public have brought to the notice of us Unofficials.

**Unfortunately, few, if any of the serious charges made can be supported by evidence because those concerned are unwilling to come forward for that purpose, but grievances are so numerous that in the interests of the departments themselves, as well as that of the public, an enquiry should be held.**

### Deadly Disabilities

Last year in the remarks I made during the budget debate, I expressed my conviction that the Government was suffering from three deadly disabilities: firstly, their inability to dispense with the services of an unsatisfactory servant: secondly, promotion by seniority rather than ability, and thirdly the higher pay obtaining in this Colony as compared with most others, which reduces to a minimum the healthy transfer of staff from one Colony to another, and breeds a parochial-minded service.

In the Report of the last War Revenue Committee the members, composed of the leading business men of the Colony under the Chairmanship of my Honourable friend the Attorney General, were unanimous in recommending that:—

**"Before fresh taxation is imposed to meet this need, a Commission (preferably a Royal Commission) be set up to investigate the whole organisation of civil government in this Colony with a view to ascertaining whether it is possible to effect economies which would permit of a substantial increase in the programme of social services without undue increase of taxation."**

### Pressing Need

We realise that the present situation renders it impossible for this recommendation to be carried out, but if the same Committee is reconstituted this year, I hope they will repeat this recommendation in their 1941 report, lest 1940's be pigeon-holed and forgotten.

There is pressing need for a thorough overhaul of a system which has raised the total of personal emoluments to such a fabulous sum that the Colony's taxable capacity in normal times is not equal to also providing what should be provided for our social services.

**The paucity and mediocrity of the executive material available this year to fill the special war time departments has, I think, confirmed my last year's criticism up to the hilt.**

I am quite sure that the executive heads of the Government staffed these departments not with men they considered to be suitable for the jobs, but with senior men they had either to find jobs for or pension off long before their pensionable age. Although they probably won't admit it, they know in their heart of hearts that this is the case. The Prime Minister has made it clear that he wants to rid himself of much of the verbiage and red tape in which the service abounds. Let us pray that, at the end of this war, he will go further, and see that it is placed on a more businesslike and workable footing.

### MR. M. K. LO'S SPEECH

The Senior Chinese Unofficial, the Hon. Mr. M. K. Lo said:—I have very little to say on the Budget now before this Council, which represents the result of the deliberations of the Select Committee to which the Draft Estimates were referred.

It is a matter for regret that certain desirable items have had to be deleted from the Draft Estimates. But, in view of the budgetary position and the uncertainty of the immediate economic position, the Unofficials have deemed such exclusions wise in the circumstances.

I personally regret that, owing to the general financial situation, the long-promised rebuilding of Queen's College has once more to be deferred.

My colleagues and I recently made representations to Government as to the imperative necessity of budgetting for a substantial amount in the then coming Estimates, to be allocated entirely to anti-tuberculosis measures and equipment. We felt strongly that much of the already heavy, though necessary, expenditure on the medical side would not be of much avail if the problem of tuberculosis, entailing such widespread illness, distress and mortality, were to be left untouched. Government has replied to the effect that it has been decided to defer a decision on this matter until the return to the Colony of Sir Geoffry Northcote. I hope that before long something will be done in this regard.

### Revenue Figures

I must say I am glad Government has budgetted $150,000 for the establishment of an experimental agricultural station in the New Territories, and I hope that the result of the experiment to be made in regard to the disposal of night-soil in the New Territories, for which $60,000 has been budgetted, will prove satisfactory.

I observe that the actual re-

(Continued on Page 8)

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# WAR TAXATION CONTROVERSY REVIVAL

(Continued from Page 2)

venue for 1938 exceeded the estimated revenue by nearly 6½ million: that the actual revenue for 1939 exceeded the estimated revenue by over 5¼ million: and that the revised estimate of revenue for 15 months in respect of 1940/41 exceeded the original estimate by over 16 million. I can only hope that the current estimated revenue may happily prove to err in the same direction for the current year, so that funds may be available for so many important projects and social services.

In the Budget Debate held on the 9th November, 1939, I renewed, for the third successive year, a plea that Government might be kind enough to make a substantial grant for providing charitable and medical relief to the Chinese on account of the Sino-Japanese conflict. I am indeed happy that the Select Committee, with the unanimous approval of the Unofficial Members, has agreed to put in, under Head 5 Charitable Services, a donation of $10 000 to the British Fund for the Relief of Distress in China, Hong Kong and South China Branch. I feel sure, Sir, that this gesture will be very much appreciated by the Chinese, and my colleagues and I tender our sincere thanks to Your Excellency.

## Budget Speech

Sir, in the extremely able and lucid speech of my Honourable friend the Financial Secretary, in introducing the Budget, there were certain observations on the War Revenue Ordinance with which I must deal. But, before doing so, may I say how much impressed I have been by the way in which he has carried out his onerous duties as Financial Secretary during the difficult and turbulent times through which the Colony has passed since the departure of his distinguished predecessor? I venture to say that the frankness and candour with which he has always treated the Unofficial Members of this Council, and the courage, ability and devotion to the financial interests of the Colony, which characterise all his official actions, have won their united confidence, admiration and respect.

Now, to return to the Honourable the Financial Secretary's observations.

The Honourable the Financial Secretary, in his Budget speech on the 16th January, 1941, quoted some remarks he had made when he introduced the War Revenue Bill in this Council in March of the preceding year. These remarks I can only describe as damning the Ordinance with faint praise. He proceeded to say that Government felt "in view of the change in the financial position and the situation disclosed by the actual receipts from the four War Taxes that the principles on which the taxation was based should be reconsidered".

Now, what are the facts? After one of the bitterest controversies which the Colony has ever known, the Bill was introduced to this Council on the 14th March, 1940, with the unanimous general approval of this Council. The statements published from time to time in the Press as having been made by the War Revenue Department that the levying of the taxes was proceeding smoothly would appear to point to the gratifying fact that the hope expressed by the War Revenue Committee, and re-echoed in this Council, that there should be no attempt at evasion in view of the purpose for which the proceeds of the taxes were to be used, has been fulfilled.

## Revised Estimate

Although the yield under this Ordinance was originally estimated to be six million, the revised estimated yield is nearly ten million (which, incidentally, is the amount of the estimated yield for the full Income Tax Bill), and this in spite of the fact that it is universally accepted that the yield of a tax of this kind can never be brought to full fruition during the first few years.

Personally, I should have thought that such an unexpected and gratifying result of a measure which had received such striking unanimity of support in this Council would have merited an acknowledgment from Government more gracious and fitting than the strictures which the Honourable the Financial Secretary felt bound once more to pass on it.

The Honourable the Financial Secretary observed that far be it from him "to seek to resuscitate a controversy which is dead and buried". I am entirely with him in this attitude. But may I remind Honourable Members of certain facts and circumstances in regard to the introduction of the War Revenue Ordinance?

On the 4th December, 1939, Mr. Caine addressed a letter to each member of the Committee, in which he stated:—

"I enclose some 'suggestions' for a draft report of the Income Tax Committee. I am not circulating them as an official Committee document because they represent what I hope the Committee will be prepared to agree to rather than what has so far been agreed. In view, however, of my approaching departure I thought it might be helpful to put my own ideas on paper."

Let me, then, quote from certain relevant paragraphs of his report:—

"3. . . We examined a great many suggestions. . . . We rejected, either unanimously or by substantial majorities, by far the greater number of these proposals because they either did not fulfil the conditions laid down by our terms of reference or would yield revenue too small to justify their imposition. "4 . . . The best alternative means of imposing taxation of approximately the same incidence as the proposed Income Tax appeared to be a combination of taxes assessed on property, on salaries and analogous incomes and on business profits made in the Colony on bases and at rates calculated to impose very broadly the same degree of sacrifice on the several classes of persons affected. Such a combination of taxes would constitute a partial income tax, covering much the greater part of the income which would be liable to a full income tax but freed of many complications owing to its being partial in scope and only approximately adjusted to individual ability to pay. In particular much of the enquiry into personal circumstances which is apprehended from the administration of income tax should be avoided.

"6. It is of anything more difficult to assess the probable annual yield of these taxes than that of an income tax, but the estimate of Mr. S. Caine, then Financial Secretary, was as follows:—

| | |
|---|---|
| (Corporation Profits Tax) | |
| Business Profits Tax ) | $3,000,000 |
| Salaries Tax | 1,000,000 |
| Property Tax | 2,000,000 |
| | $6,000,000 |

In comparing this with the estimate of $10,000,000 from a full income tax it should be remembered that:

(a) Income subject to United Kingdom Income Tax is almost entirely exempted under the new Bill. Several important companies are thus outside its scope altogether.

(b) Profits tax will be applied only to profits made in Hong Kong, whereas income tax would have applied to all profits of resident persons, including companies registered here, wherever made.

(c) Other income from abroad will not be taxed at all under the new Bill.

## Reasonable Burden

It was, however, repeatedly emphasised by the official representatives on the Committee that Government was not seeking to raise any particular sum of money but to impose a reasonable burden of taxation and we consider that the rates of tax proposed do impose such a reasonable burden.

"8. We therefore recommend that Government should proceed with measures on the lines of the attached Bill. If the revenue obtained is inadequate consideration should be given to the adoption of some or all of the items referred to at the beginning of paragraph 4; . . . . ."

In a note prepared by Mr. Caine on "Principal differences between the 'War Revenue Bill' and the 'Income Tax Bill'" he states:—

"1. GENERAL.

"An Income Tax seeks to tax every source of each individual's income and to make allowances for his family responsibilities and other individual circumstances. Although much may be collected at the source it is ultimately an individual tax and may entail much enquiry into personal affairs.

"The new Bill proposes to take each of the main classes of income separately and tax them at rates adjusted only approximately to capacity to pay. At some sacrifice of the refinements of an income tax it thus avoids many problems which arise in the administration of those refinements and removes some of the features of income tax which are objectionable to the public."

Such, Sir, were the views of Mr. Caine. He had made it plain that he was in favour of a straight income tax measure. But he himself was the author of the Ordinance now in force, and he put it forth as a compromise measure without any trace of reluctance, and certainly without any misgivings as to there being any inequity in its incidence.

The Honourable the Financial Secretary said: "Although the War Revenue Ordinance has secured considerably more revenue than was anticipated it has failed to secure enough to meet the revised war expenditure either in the current year or in 1941-42".

## Contrary Stand

Pausing here I should like to point out that the position he now takes up is fundamentally opposite to that taken up by Government hitherto. As I pointed out in this Council on the 14th March, 1940, His Excellency Sir Geoffry Northcote, in his speech in this Council on November 16th, 1939, made it quite clear that Government did not determine to raise a war budget revenue in any pre-determined sum: in other words, the Government's attitude was that as regards war expenditure, that expenditure was to be limited to the sum obtainable by the War Revenue Ordinance, and not that the Colony had to find a specified amount.

The Financial Secretary points out that according to the revised estimate, salary tax will bring in $1 000,000 as was anticipated: property tax $2,300,000 as against $2,000,000 as was anticipated: whilst corporation and business tax should bring in $6,400,000 as against $3,000,000 anticipated. But he adds, as regards the latter item: "This figure includes not less than $5,500,000 in respect of corporation profits and only $900,000 in respect of business profits, which is disappointingly small. . . ."

Sir, this is the whole case for suggesting that the principles on which taxation is based should be reconsidered. I can see no ground for surprise that the business profits tax should yield something just under one million, as against the unexpectedly larger yield of corporation profits. Mr Caine never attempted anything more than a guess of the combined yield of the corporation and business profits tax, for the simple reason that there were no accurate data available. Nor can I see how the yield of the taxes as above indicated can afford any evidence that the incidence is not spread fairly over the community. It may well be that, in order to produce more revenue, some alterations will have to be made in the Ordinance. As I do not wish to anticipate in any way the findings of the Committee which Your Excellency has reconstituted I abstain from further comment.

## Serious Criticism

I regret that I now come to a point of serious criticism against the administration of the War Revenue Ordinance. In the Report of Mr. Caine, to which I have referred, he made it quite plain that "Partnerships will be assessed as a whole and no enquiry whatever will be necessary into the division of profits between partners". The Honourable the Financial Secretary himself, in introducing this Bill in March, 1940, said:

"The third and fourth taxes are respectively a corporation profits tax . . . and a business profits tax on profits made in the Colony . . . which is levied on the business and not on individual persons so that no enquiry as to the ownership of the business and the division of the profits is involved. There is, in the circumstances, no deduction in respect of personal and family allowances. . . . ."

In spite of the history of this matter, and of the official declarations to which I have referred, I am sorry to have to state openly in this Council that examiners have sought to get Chinese firms to disclose the names of the partners constituting the firms. I should have thought it impossible that any Government official would proceed counter to one of the fundamental bases of the taxation, and I look to the Honourable the Financial Secretary, as the Commissioner under the War Revenue Ordinance, to see to it that his subordinate officers do carry out completely the spirit of the framers of the legislation, in accordance with the solemn declarations of Government.

The Honourable the Financial Secretary has intimated that Government proposes to increase the Death Duties. I appreciate that Honourable Members will have an opportunity of discussing this question when the necessary amending Bill as before this Council. But in the meantime I wish to make a few general observations.

The Report of the Taxation Committee published as Sessional Paper No. 2, 1939, contained the following observation on the question of Death Duties:—

"Any further revenue under this head should be obtained by an increase in the rates of Estate Duty rather than by the introduction of other methods of taxing property on death, e.g. Legacy or Succession Duties; but we consider the present rates, which were fairly recently increased to a maximum of 20 per cent., high enough in the circumstances of Hong Kong, where the much higher rates prevailing in, e.g., the United Kingdom, would add greatly to the incentive to evasion."

That report was dated 5th April, 1939, and I am not aware of circumstances which have arisen between then and now which render that deliberate expression of view no longer sound.

## "Excessive Zeal"

As to how far evasion of death duties exists I do not feel competent to speak. But of this I am quite certain. If evasion could be prevented by zeal and vigilance, it would have been effectively stopped by now, because I can imagine no one possessing greater zeal, and exercising greater vigilance, than the present holder of the office of Superintendent of Inland Revenue and Estate Duty Commissioner, for whom, if he will allow me to say so, I hold a high regard. Indeed, I go further and say that it is the deliberate view of the legal profession as a whole that the zeal and vigilance exhibited by this conscientious officer have been so excessive in many cases as to occasion unjustifiable delay, inconvenience and expense to bona fide applicants for legal representation.

The powers conferred on the Estate Duty Commissioner for investigating every estate are necessarily wide. But I suggest that in wielding such great powers regard should be had to the presence or absence of grounds for suspicion of evasion of duty, and that under normal circumstances the Estate Duty Commissioner should not attempt to reopen and resuscitate matters adjudicated upon a long time ago.

It should be well known to Government that family inheritance has always constituted a very important part of Chinese family life, and I do submit that excessive rates of levy, undue delay in obtaining legal representation, and harsh administration of the Estate Duty Ordinance, all constitute great incentive to evasion.

## Administration

Sir, the Unofficial Members of this Council, as well as the Chinese Members of Councils, have had occasion to make various representations to Government on certain aspects of Government Administration during the past year. Pending their final outcome I feel it my duty to make a few general observations.

To begin with I wish to say a few words on the question of Food Control.

The task of a Food Controller is obviously one of very great difficulty, and due allowance must be made for the fact that many things would have to be done in a hurry.

**I submit that the indispensable qualification of any Food Controller must be some commercial knowledge and experience, and, however well qualified in the theory of economics and conscientious in the discharge of his duties, the present Food Controller has had no commercial experience.**

The record of his administration has not inspired confidence that in an emergency all will be well as regards the question of food supply, and I record in this Council my grave doubt as to his ability in turning over certain reserve food stocks—though the quantities purchased are infinitesimal to the quantities originally proposed—without very serious losses arising.

We know that the Food Controller has now delegated his powers in regard to rice to a business man more conversant with the subject.

## Firewood Ramp

I come now to the question of Firewood.

I understand that Government has at long last taken, or is taking, definite steps for the importation of firewood into the Colony. The Chinese Members of Councils had urged Government to take such a step even before His Excellency Sir Geoffry Northcote left the Colony on leave. On August 3rd, 1940, a memorandum on this question was sent in to Government, wherein it was urged that Government should requisition steamers for the purpose of importing firewood into Hong Kong. I feel that the Chinese community has every reason to be dissatisfied with Government's inactivity, over such a lengthy period, in relieving the acute shortage of firewood, which has caused so much hardship to the community, especially the poor.

Another matter, Sir, which has given rise to grave dissatisfaction, is the administration of the Immigration Ordinance. When I spoke in this Council on the Second Reading of the Bill I thought that the effect of this measure on the Colony depended very largely on how it would be administered by the Immigration Officer, and I then stated that my colleagues and I intended to maintain a close interest in the operation of this measure, and that we should have no hesitation in making to Government any representations which we might consider it our duty so to do.

I know that the Immigration Officer has not spared himself in the discharge of his very difficult duties. But I do say that whatever may be the explanation, the Chinese community cannot be expected to acquiesce in the continued administration of a measure which compels people to wait for long hours outside the Immigration Office, herded together like cattle, in order to get a permit or to get back a deposit.

## Sheer Rudeness

Apart from the question of administrative machinery there have been numerous complaints of sheer rudeness and offensive conduct on the part of the officers of this Department. 'Civil Servants should be civil servants' may be a familiar witticism, but I suggest that it embodies a wholesome admonition to which Civil Servants in Hong Kong should pay serious heed. A most unfavourable impression has already been created on visitors to the Colony. And I do seriously appeal to officers of the Immigration Department to remember that they are being paid by local taxpayers to perform their duties and not to show off their own importance.

## Complex Problem

Sir, I do say deliberately that either the administration of the Immigration measure is radically improved—and I submit that it can, and should, be improved—or that measure should be dropped altogether.

May I tender our thanks to you, Sir, for the invariable courtesy which you have shown to the Unofficial Members. My colleagues and I desir to pay warm tribute to you for the conspicuous ability which you have shown as His Excellency's chief adviser, which is such a well known characteristic of our esteemed Colonial Secretary.

My colleagues on this Council desire me to state that they wish to associate themselves with the tributes I have paid, and the views I have expressed. In due course Honourable Mr. Tam will speak on the question of removal of night-soil and the prevailing lawlessness and insecurity of the Colony, and Honourable Mr. Li will speak on primary education, and I desire to express my concurrence with their views on these subjects.

Fully realising the true character of the struggle now being waged by Britain and her Empire, the Chinese in the Colony have willingly and, indeed, enthusiastically cooperated with Government in all measures which Government has deemed it necessary to carry out in furthering Britain's war effort, whether by responding to the calls made for service in the Volunteer Corps, Police Reserve, A.R.P., Fire Auxiliary Service, St. John Ambulance, etc., etc., or in other directions. In view of their deeds I trust, Sir, that it is not necessary for me to pledge to you once more the willing continuance of that cooperation.

## MR. LEO D'ALMADA: INQUIRY NEEDED

The Hon. Mr. Leo d'Almada said:—From the point of view of a Kowloon resident there is much in this Budget that is gratifying. There is generous provision for resurfacing our roads, work which is long overdue; a new public mortuary and disinfecting station is budgetted for; the promise of a police station for Kowloon Tong raises a hope that that district and the Prince Edward Road area will enjoy some measure of police protection in the near future; and an agricultural station in the New Territories shows that here again Government is at last paying some heed to those who have constantly advocated the development of our resources for food production.

It is regrettable that the Unofficials in Select Committee have thought it expedient in the light of the present situation and of the Colony's finances to curtail to some extent the proposed public works expenditure both on the mainland and in Hong Kong, but the majority will agree that in so doing the Committee has followed the dictates of commonsense and prudence.

This is all I have to say on the Budget.

Our annual Budget debate, however, has long been regarded as the proper occasion for the ventilation of grievances and complaints, and of these I have a few.

## Government's Failings

I do not know what Government feels about its last twelve months' administration in this Colony. In my opinion, apart from revenue, there is little room for complacency, much less for congratulation.

I will mention only three matters as to which Government has laid itself open to criticism.

(Continued on Page 8)

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KING'S

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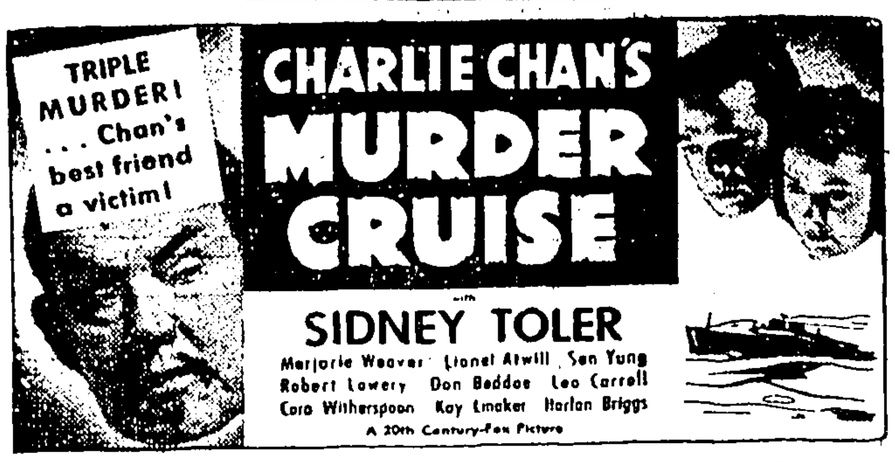


ADDED Latest FOX MOVIETONE NEWS

LONDON AFLAME. BRITISH VICTORY AT SIDI BARANI. S. S. MANHATTAN, which took American evacuees from Shanghai, aground in Florida CREEK SUCCESSES. FRANKLIN D. ROOSEVELT INAUGURATED FOR THE THIRD TERM. THE NEW 35,000 TON BRITISH BATTLE SHIP "THE DUKE OF YORK." Christened by Queen Elizabeth. Etc.

* TO-MORROW *

George Raft — Jane Bryan — Wm. Holden in
"INVISIBLE STRIPES"
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Their thrilling story . . . told through the hearts of the girls who love them!

Drama! Romance! Stirring . . . exciting . . . real!

TO-MORROW: Edward G. Robinson, Ruth Hussey in
M-G-M Picture: "BLACK MAIL"

# BRITISH PARACHUTE TROOPS GIVE DISPLAY FOR HIGH COMMAND

**MANY GENERALS and R.A.F. officers and their staffs, including General Sir John Dill, Chief of the Imperial General Staff, General Sir Alan Brooke, Commander-in-Chief of the Home Forces, Air Marshal Sir Arthur Barratt, Air Officer Commander-in-Chief, Army Cooperation Command of the R.A.F., and General Viscount Gort, were present at parachutive exercises on the moorlands yesterday, states the Air Ministry news service.**

Over a bleak stretch of moorland an R.A.F. troop carrier emerged from the clouds and suddenly the officers saw parachutists dropped from it one after another.

Before the 'plane had disappeared into the cloud again all the men had landed, unharnessed their parachutes and silently prepared to attack a remote and vital enemy objective, which was a small imaginary factory, where it was known that a high personage and some of the most senior officers of the enemy High Command were to watch a private demonstration of a new weapon being made there.

While this gathering of Britain's leading Army and Air Force commanders was waiting on the moor an R.A.F. troop carrier unobtrusively came through the clouds in bad weather, demonstrating the surprise nature of the attack.

In accordance with a prearranged plan, the troops, weapons ready for action, rushed to the factory which, though isolated, was guarded by sentries and employed about 50 civilian workers.

### Most Impressive

It was assumed, for the purpose of the exercise, that the greatest care had been taken by the enemy to preserve the secrecy of the rendezvous, and it was the duty of the parachutists to surround the objective until the arrival of more to act as demolition parties in the destruction of the factory machinery and military personnel.

The exercise was most impressive and showed the potentialities of this method of attack. It also proved the efficiency of cooperation between the R.A.F. and the Army.—Reuter.

## DETAINED AT KAI TAK

Detained at Kai Tak on landing by 'plane from Chungking yesterday, Yiu Hing-lim, 36, auditor, appeared before Mr. D. J. N. Anderson at Kowloon this morning charged with a breach of Defence Regulations.

Accused was alleged to have had in his possession a letter, conveying it into the Colony other than by post.

Appearing on $50 bail, accused was remanded for 24 hours for the letter to be censored.

## LION OF JUDAH IN CONTROL OF GOJJAM PROVINCE

**DANGILA, 40 MILES south-west of Lake Tana, the fall of which was briefly reported on Tuesday, strategically controls the whole of Gojjam province.**

The Italians had stationed there a Black Shirt division, with other white troops, though it is doubtful whether these troops were there when the town fell.

Abandonment of the town on Monday was the result of guerilla pressure during the past few weeks by Haile Selassie's patriots led by a British officer.

They on occasion approached to within a few feet of the town's strong defences. Five days of close attacks followed.

As the final blow was struck cooperation with the R.A.F. and messages received from 'planes enabled the patriots to capture some members of the garrison as they left during the bombardment.

Remainder of the garrison are retreating north-east towards Bahrdar Giorgis, a town on the southern point of Lake Tana, and are being harried by a small Abyssinian force.

### On Edge Of Plateau

Dangila stands on the edge of the northern escarpment of the Abyssinian Plateau, 7,000 feet up at the junction of old caravan routes to Addis Ababa from Galabat, on the Sudan border, and from Roseires, on the Blue Nile, in the Anglo-Egyptian Sudan.

The population is small but since the Italian occupation roads built along the caravan routes have facilitated the exchange of local products, wheat, barley and coffee, with goods from other centres.—Reuter.

## ABYSSINIAN WOMEN AMONG THE PATRIOTS

Some Abyssinian women are fighting alongside their menfolk in the ranks of the Abyssinian patriots.

This was revealed last night by Princess Tshai, daughter of Haile Selassie, in a broadcast speech from London.

The Princess, who appealed for gifts of clothing for Abyssinian fighters, has lived in Britain for five years in exile.

She announced she hoped shortly to join an ambulance unit which is leaving for Abyssinia under the leadership of an Australian surgeon. — Reuter.

## BOMBS IN SCOTLAND

BOMBS WERE DROPPED AT TWO PLACES ON THE NORTH-EAST COAST OF SCOTLAND YESTERDAY MORNING, STATES AN AIR MINISTRY COMMUNIQUE.

Some damage was done to buildings and there was a small number of casualties.

A few bombs were dropped near the East Anglian coast but did little damage and nobody was seriously hurt.—Reuter.

## BURMA APPLAUDS TROOPS IN AFRICA

The Burmese Senate yesterday unanimously passed a resolution expressing intense satisfaction at the glorious successes of the Imperial troops in Africa and desired heartiest congratulations to be conveyed to General Wavell, General Wilson and Admiral Cunningham. — Reuter.

## WANG CHING-WEI'S BROTHER PASSES

(SPECIAL TO "CHINA MAIL")

Wang Im-ping, secretary of the Canton Government and brother of Wang Ching-wei, died in Canton on February 9, according to the local press yesterday. The cremation will be held on Saturday.—Reuter Special.

STAR THEATRE

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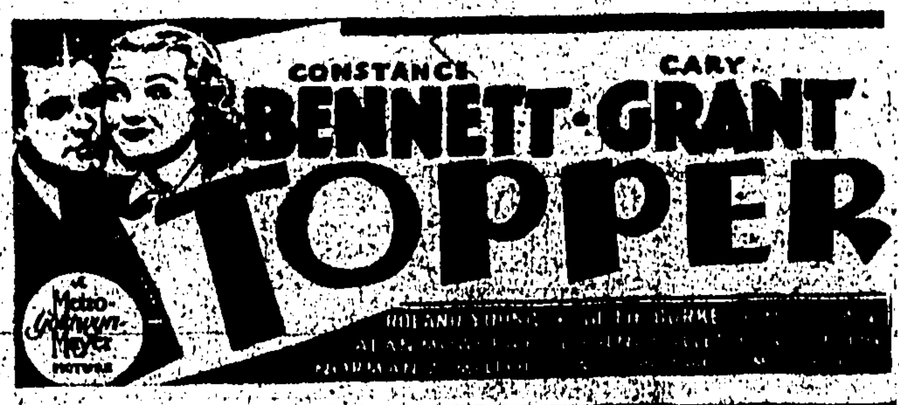
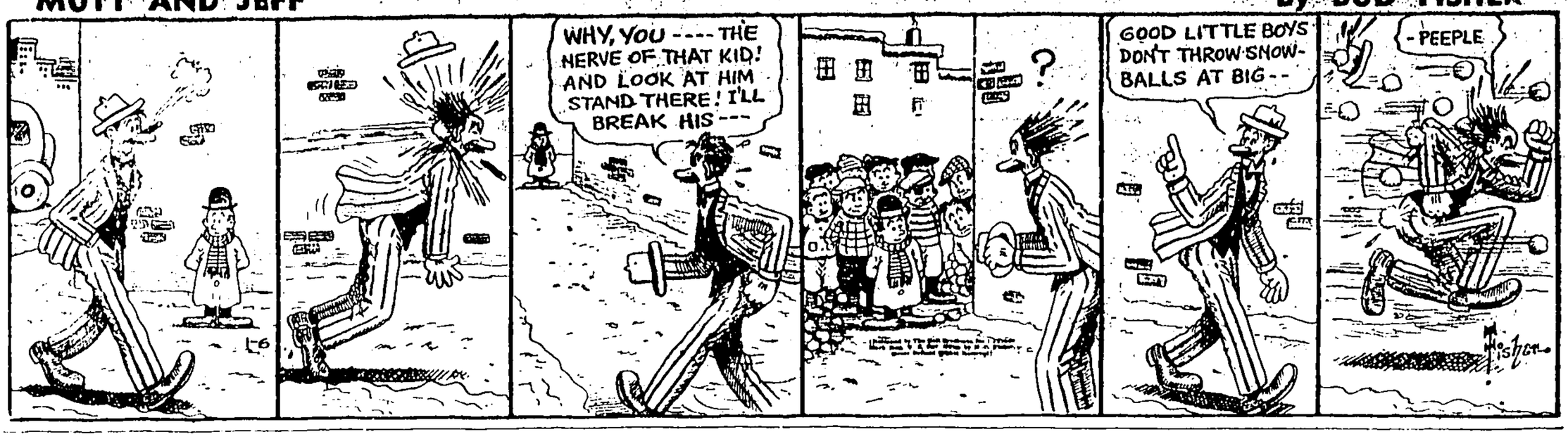
* TO-DAY ONLY *




TO-MORROW: "DEVIL DOLL" MGM Picture

MUTT AND JEFF By BUD FISHER




# NAZI ANNOUNCER GETS WHAT HE ASKED FOR

**A NAZI BROADCAST invitation to Americans to send "receiver to pay" telegrams to Berlin, stating the kind of programmes they would like from Germany, has had an amusing sequel.**

Thousands of people swamped telegraph offices where extra staffs were needed. Messages to Berlin were sarcastic, and sometimes downright anti-Nazi.

The staff of one New York firm spent $50 of Germany's money asking for broadcasts on Hitler, Goering and Goebbels singing "Say it isn't so" and cat and dog meat quotations from the Berlin Bourse.

**Others asked for bomb by bomb descriptions of R.A.F. raids on Berchtesgaden.**

Berlin radio, in its latest broadcast, asked for the messages to be continued, states the Columbia Radio Company.

THE ANNOUNCER REQUESTED THAT NO CRITICISM SHOULD BE SPARED BUT "IF YOU HAVE ANY PRAISE TO OFFER WE SHOULD BE ONLY TOO GLAD TO RECEIVE IT."—REUTER.

## BOMBS AT WANG BANK

Shanghai's business district was thrown into turmoil this morning when Wang Ching-wei's Central Reserve Bank on the Bund was the target of terrorists, who hurled four grenades at the building.

Only two of the grenades exploded, causing practically no damage. One man was shot dead. It is believed he was one of the Bank's Chinese guards. No arrests have been made. — Reuter.

## INDO-CHINA GETS AIRMEN FROM FRANCE

Airmen from the French Air Force, who arrived in Saigon on February 8 from France, have been assigned to several Indo-China bases in Saigon and strategic points in Cambodia and Laos, says a Japanese report from Hanoi.—Reuter.

## EVACUATION ADVICE

The British authorities in Thailand have merely suggested to British subjects the desirability of arranging for their wives and children to leave Thailand for the present, says a Thai Government communique, which emphases that this is a precautionary measure in view of the general international situation.

It is not confined only to Thailand.

The communique adds that the British Minister has informed the Thai Government that British subjects have not been ordered to leave Thailand. — Reuter.

## BRITISH RAILWAY PROFITS

Following the pooling of receipts of the main British railway system from September 1, 1939, by Government order, estimates for the year ended December 31, 1940, show total income to have been £247,992,000 and expenditure £203,480,000, leaving a net revenue of £44,512,000. Net revenue for the full year guaranteed by Government was £39,850,000.—British Wireless.

## SLIPPERY CUSTOMER

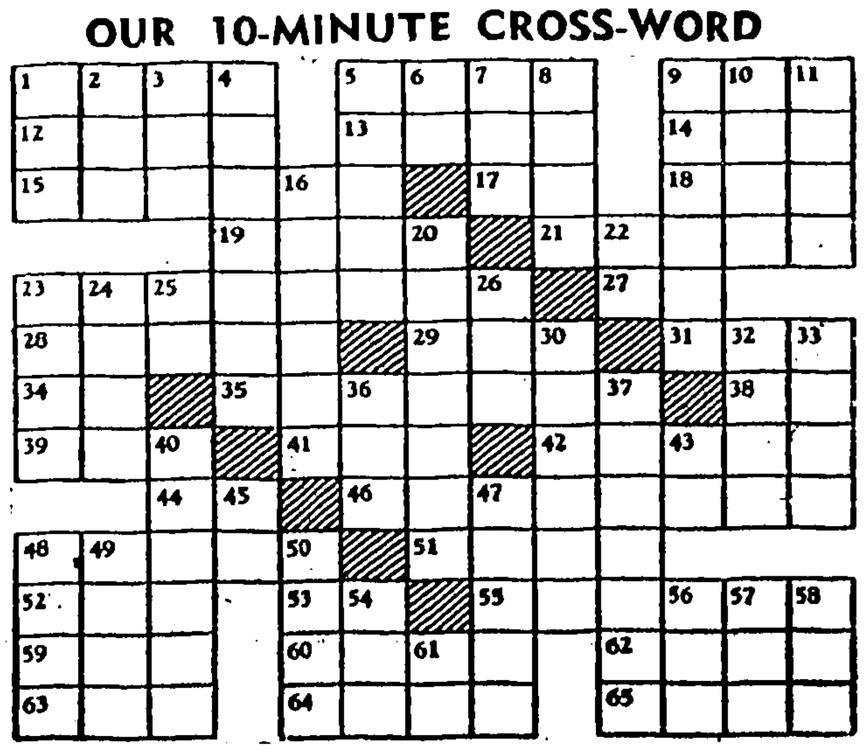
Caught by the coat tails, a snatcher unbuttoned his jacket and allowed it to slip off; caught by the belt, he unbuckled it and left it in the hands of his pursuer; finally he was shot in the leg.

This was the story related to Mr. G. T. Lowry this morning when Mak Chau was sentenced to 12 months' hard labour for theft and for resisting arrest. Accused admitted nine previous convictions.

## WEATHER REPORT

The Royal Observatory reports that a weak anticyclonic area covers North China, Mongolia and Manchuria; the depression is moving north-eastward between south Japan and the Bonins.

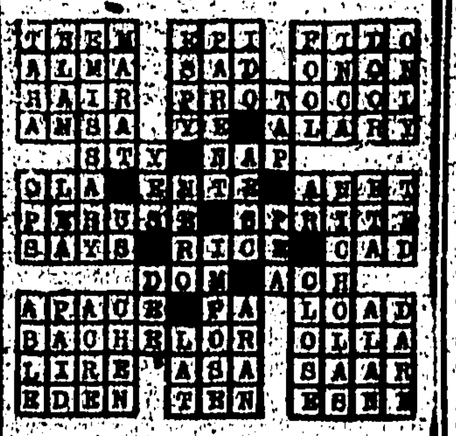
## OUR 10-MINUTE CROSS-WORD



**HORIZONTAL**
1 Barren
5 The orient
9 To imitate
12 To rant
13 Solo
14 Music: three
15 Abysses
17 Note of scale
18 Possesses
19 Equal
21 Faithful
23 To place in comparison with
27 Upon
28 Purpose
29 Prevarication
31 To request
34 See!
35 Legendary founder of Rome
38 Periodic windstorm
39 Conclusion
41 Humorist
42 Damp
44 Babylonian deity
45 Long gaiters
48 Capital of Bulgaria
51 Tiresome
52 Pronoun
53 Sun god
55 Naval officer
59 Man's name
60 Southwestern Indian
62 Cloak
63 Tunisian ruler
64 To crowd together
65 To clean

**VERTICAL**
1 Bow
2 Cheer
3 Yellow bugle
4 To lose hope
5 Painter's stand
6 Land measure
7 Title of respect
8 Chinese money
9 Daughter of Zeus
10 Wampum
11 Gaelic
16 Jolly
20 Disproved
22 Butterfly
23 Wan
24 English river
25 Sun god
26 Gypsy pocketbook
30 To commit robbery
32 Tune
33 Solutions
36 Wire measure
37 Seamen
40 To bear the expense of
43 Preposition
45 Sloth
47 Joshed
48 Food-fish
49 Bacteriologist's wire
50 Roguish
54 Part of "to be"
56 To clip
57 Sleeveless garment
58 Pen-point
61 Teutonic deity

YESTERDAY'S SOLUTION



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# CURIOUS MATSUOKA MESSAGE

# Desire For Peace In East And To Help Elsewhere!

**"BRITAIN WILL NOT ENTERTAIN PEACE PROPOSALS UNTIL COMPLETE VICTORY HAS BEEN GAINED."**

**This categorical statement was made in authoritative quarters in London yesterday commenting on the offer of a Japanese spokesman that Japan is ready to mediate "in any war" if invited.**

These quarters point out that it is most interesting that the Japanese spokesman should feel called on to make such an offer.

They add: "The Japanese evidently do not appreciate conditions in Europe brought about by the war started by their ally.

"As the British Prime Minister has emphasised over and over again there can be no compromise." — Reuter.

### "Serious Approach"

The Japanese Foreign Minister, Mr. Matsuoka, Reuter's diplomatic correspondent learns, has addressed a special message to Mr. Anthony Eden, the Foreign Secretary.

**In the message Mr. Matsuoka offers to take whatever action is needed to restore normal conditions not only in the Far East but anywhere in the world.**

This official endorsement of the proposal made by Mr. Ishii, the Japanese spokesman in Tokyo, on Tuesday, gives it a very different importance from the apparently casual suggestion of a subordinate official.

**It becomes a serious approach from the head of a Government, which is in contractual relationship with Germany and Italy, although Mr. Ishii expressly stated they had not been consulted.**

Naturally Mr. Matsuoka's message will be received with the consideration which the authority of the sender demands, but there is not likely to be any variation in general of the immutable principles of British policy.—Reuter.

### Commons Statement

REPORTS OF AN IMPENDING JAPANESE EFFORT TO MEDIATE IN THE WAR WERE STRENGTHENED BY A STATEMENT BY THE UNDER-SECRETARY FOR FOREIGN AFFAIRS, MR. R. A. BUTLER, IN THE HOUSE OF COMMONS YESTERDAY.

In reply to an invitation to make a statement on the Far Eastern situation Mr. Butler referred to the recent increase in tension over "certain events," notably over the dispute between Indo-China and Thailand.

He added: "The Japanese official spokesman made a statement to the press yesterday.

"The Foreign Secretary has received from the Japanese Foreign Minister a special message in courteous terms and on the same general line as the statement just referred to.

"The terms of this communication are at present receiving due attention."—Reuter.

## SENATE STILL DEBATING

Enactment of the Aid for Britain Bill would mean American intervention in the European conflict, said Senator Bailey (North Carolina, Dem.) during the third day's debate in the Senate.

**He continued: "I hope this intervention may not mean war, but if it does I am ready for it."**

Senator Bailey contended that the Lease and Lend Bill would give the United States a better chance for ultimate deliverance from a totalitarian world revolution.

*SENATOR CONNOLLY, OF TEXAS, ANOTHER DEMOCRAT, HAD OPENED THE DAY'S DEBATE BY OBSERVING THAT THE WORLD'S DEMOCRACIES MUST ALL "HANG TOGETHER OR THEY WILL HANG SEPARATELY."*

He predicted that an attempt would be made to invade North and South America if the Axis powers were victorious in Europe. —Reuter.

## MORE ITALIAN PRISONERS

A further 3,500 Italian prisoners have arrived in India from Africa, making a total of 23,000 at present in the country, says Reuter from New Delhi.

## NEW U.S. BATTLESHIP NEARLY READY

The new United States 35,000-ton battleship Washington will be commissioned on May 15, six months ahead of schedule, the Navy Department announced yesterday.

The Washington's main armament consists of nine 16-inch guns.—Reuter.

## PRESSURE ON RIVER JUBA LINE

Increasing British pressure on the lines of the River Juba, in Somaliland, was announced in a communique issued in Nairobi last night.

The communique says enemy counter-attacks were repulsed, with 40 enemy dead, including 10 Italian officers.

Despite long distances over bad roads transport drivers are successfully maintaining schedules and bring forward the necessary water, ammunition and ration supplies.—Reuter.

## ENEMY SHIPPING LOSSES

**Enemy merchant shipping losses have been increased by 257,000 tons since January 7, according to authoritative sources in London yesterday.**

These losses included ships sunk or captured at Derna, Tobruk and Benghazi.

British and Allied losses between January 5 and February 10 totalled 248,493 tons.—Reuter.

## NO PROGRESS IN ANGLO-SOVIET NEGOTIATIONS

**NO FURTHER PROGRESS in the Anglo-Soviet negotiations could be reported by the Government spokesman when questioned in the House of Commons yesterday.**

Mr. R. A. Butler, Under-Secretary for Foreign Affairs, said that since his last answer some weeks ago matters had not been carried further by the Soviet Government.

Mr. Frederick Cocks (Lab.) argued that as there was so little difference between de jure and de facto recognition of the position in the former Baltic States, such a small thing should not be allowed to interfere with the establishment of better relations between Britain and Russia.

**Mr. Butler: "There are not only small but certain large issues involved in this question and I cannot take it further at present."**

Mr. Butler did not reply to a supplementary question which implied, firstly, that Russia is terrified of Germany, and secondly, that the British Ambassador in Moscow should be brought back to report to a secret session of the Commons.—Reuter.

## JAPAN'S BID FOR OIL IN N.E.I.

The Netherlands East Indies Government has received a Japanese request to explore the oil areas in the N.E.I. and has indicated willingness to specify certain areas which could be explored, according to a Japanese report.

The Dutch authorities, however, are reported to have signified their willingness on the condition that Dutch observers accompany the Japanese surveyors.—Reuter.

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## Vichy To Try De Gaulle Adherents

A big trial of officers who have joined General de Gaulle's movement is to begin on Tuesday next at Gannat, 10 miles west of Vichy, states a Vichy despatch to the official German news agency. The proceedings will not be open to the public.—Reuter.

CHINA MAIL
WINDSOR HOUSE

## SOVIET POLICY

Latest developments seem to clear up once and for all the question as to which side of the fence the Soviet Government is on at the present time.

The Soviet Union is helping Germany in the same way the United States is helping Great Britain. The cost for the Soviet Union, however, is far greater, for in the case of many products, particularly food, the Soviet Union has not had any real export surpluses for the last ten years, and any exports of grains will be mad directly at the expense of the Soviet population, who will have less for themselves.

If the Soviet Union is helping Germany carry on the war, as seems to be the result of the new commercial treaty, it is strange that the United States, which has refused to send supplies to European nations for fear they might fall into German hands, should continue to send supplies of exactly those materials which the Soviet Union is sending to Germany. These strategic materials and machine tools build up the Russian supply so that the Soviet government is able to send more to Germany.

For those persons who still believe that the United States should adopt a policy of appeasement toward the Soviet Union, the latest agreement provides an interesting illustration as to how the Soviet government reacts to kindnesses.

## DRUMS IN ETHIOPIA

Bombs crash on Catania from Benghazi but for the Italians the most ominous sound in the Dark Continent may be the throb of the war drums across Ethiopia. They are heard now from Galla to the Harar Hills and even in the forts of Addis Ababa. Every night their rhythm fills the air. They herald the end of the rainy season, and the message they spell out for listening tribesmen is "Arise and fight!"

Just inside the Ethiopian border, Haile Selassie sits again on his throne, a wooden throne, to be sure, but hung with royal purple. So on the borders of his lost empire, he seems a sterner figure than the pathetic and unwelcome refugee flitting through English health resorts before the war. Once more, in the eyes of his people, he is the Lion of Judah, reviewing his troops and distributing English arms to his followers. The drums are his.

This time the Lion of Judah hunts with the British Lion. Cut off from their homeland, precariously settled in an unfriendly wilderness, Il Duce's colonists do not like these echoes in the night. They are reported to have asked refuge for their civilians in French Somaliland. Apparently, the storm is gathering over Ethiopia. Already lightning flickers in the sky.

# Tokyo Protests To Be Totally Disregarded

**A LETTER FROM Admiral Stark, Chief of Naval Operations, suggesting that any Japanese protest at United States naval defence measures should be "totally disregarded," was read by Mr. Carl Vinson, Chairman of the Naval Committee of the House of Representatives, yesterday.**

The Committee was beginning the debate on the $244,000,000 naval base development programme.

## CONVOY ATTACK QUERY

Recent German claims to have inflicted heavy losses on a British convoy were dealt with in the House of Commons yesterday arising from a member's invitation to make a statement on the reported loss of 13 vessels and whether those vessels were under protection.

Mr. A. V. Alexander, First Lord of the Admiralty, replied it was not possible to answer such a question without assisting the enemy, and in the meantime the questioner should not assume that reports broadcast by the enemy are correct.

Mr. Emanuel Shinwell (Lab) asked whether it was not the case that a full report had appeared in the American press and the statement had also appeared that this very important convoy had no protection whatever.

Are these facts not well enough known to the enemy? he asked.

Mr. Alexander replied: "Mr. Shinwell is in error in assuming that the enemy's statement was correct.

"It is a statement I do not accept any more than I accepted the report in the case of a previous convoy in the Atlantic, where enemy claims were grossly exaggerated."—Reuter.

## DEATH OF SIR JOHN THOM

Lt.-Col. Sir John Thom, Chief Justice of the Allahabad High Court, died yesterday, says Reuter.

Admiral Stark pointed out in his letter that the House last year defeated a similar project for defence work at the island of Guam "because Japan might take offence."

He continued: "It is inconceivable to me that Japan could or would take offence at any such inoffensive measures."

If she did, then the protest would be "unwarranted and should, in my opinion, be totally disregarded."

### American Property

Admiral Stark emphasised that Guam was American property, saying: "Our actions should be determined by what is best for the United States and not dictated by any foreign power."

The House will almost certainly approve proposed expenditure of $4,700,000 for bomb shelters to make Guam harbour usable by seacraft and aircraft and to develop Guam as a naval aviation outpost.

Expenditure of $8,100,000 for similar purposes at Tutuila Island, in Samoa, will also be approved, it is expected.

### On Tiptoes

Mr. Vinson also read a letter from Col. Frank Knox, Secretary of Navy, emphasising that the Guam project is "of particular importance to the Navy."

Mr. Vinson prefaced his remarks by stating that the country could rest assured that "all hands in the Navy are on tiptoes, ready for any emergency they may be called to meet."

The Committee tentatively approved the section of the naval base development programme authorising expenditure of an additional $66,050,000 for the development of the Atlantic bases acquired from Britain.

This is considered as the first step towards congressional ratification of the "destroyers for bases" deals.

### Measure Passed

Later..

The House of Representatives has passed a measure authorising the expenditure of US$244,000,000 on the development of naval bases, states Reuter's Washington correspondent.

The measure now goes to the Senate.

The bases to be developed under the Bill include Guam and Samoa and the Atlantic sites acquired from Great Britain. — Reuter.

## CAT BURGLAR'S FALL FROM ROOF

Scared by the blowing of police whistles, a cat burglar attempted to escape by running along the edge of the roof and fell to the verandah beneath. He received injuries to his head, and was arrested.

This was the story told before Mr. H. C. Macnamara at Kowloon this morning when Wong Hoi, 25, charged with attempting to break into No. 58, Yu Chau Street, was sentenced to two months' hard labour.

## MALAXA WORKS SEIZED

The important Rumanian Malaxa railway and armament works have been completely taken over by the State under a decree issued yesterday.

The decree provides that the remaining 50 per cent. of the shares become State property, the other half having been taken over on January 28.

*M. MALAXA, THE ARMAMENTS KING AND HEAD OF THE FIRM, WAS PLACED UNDER HOUSE ARREST BY GENERAL ANTONESCU LAST YEAR BUT HIS PRESENT WHEREABOUTS ARE UNKNOWN.*

M. Malaxa is regarded as General Antonescu's chief opponent. —Reuter.

## HUGE INDIA RAILWAY SURPLUS

An unprecedently large surplus of nearly £11 million (exceeding by over £7,500,000 the previous year's surplus) is revealed in the Indian Railway Budget for 1940/41.

Presenting the Budget the Government spokesman said traffic connected with the war effort was a preponderant factor in the surplus; furthermore 305 miles of railway were dismantled for purposes of economy.

All available skilled labour, materials and machine-tools were required for war work, particularly munitions, and many workshops were now entirely employed in war work. — Reuter.

## MR. BUTTERS LEAVING ON FURLOUGH

The Hon. Mr. H. R. Butters, Financial Secretary, will be leaving the Colony on furlough within the next few days.

His place is to be filled by Mr. R. R. Todd, Assistant Financial Secretary.

## R.A.F. KEEPS UP HEAVY RAIDS ON DODECANESE

Very fierce activity by the R.A.F. and the South African Air Force was the feature of yesterday's Cairo communique.

The communieque reveals that aerodromes in the Dodecanese Islands were raided on the nights of February 16, 17 and 18.

In addition, during the last two days the R.A.F. has maintained concentrated attacks on enemy positions in the Tepelini area in support of the ground forces.

Enemy troops concentrations in two villages to the north of Tepelini and military buildings were heavily bombed.

Continued support has been given to the British troops on various fronts in Italian East Africa.

Several raids were carried out on Keren. — Reuted.

## DEATH OF MRS. LESTER LITTLE

(SPECIAL TO "CHINA MAIL")

Alice Joy, wife of Mr. Lester K. Little, Commissioner of Customs in Canton, and well-known throughout China, died on Tuesday after a short illness.

Mrs. Little was very popular especially at Lingnam University, where she was a member of the faculty prior to marrying less than a year ago.—Reuter Special.

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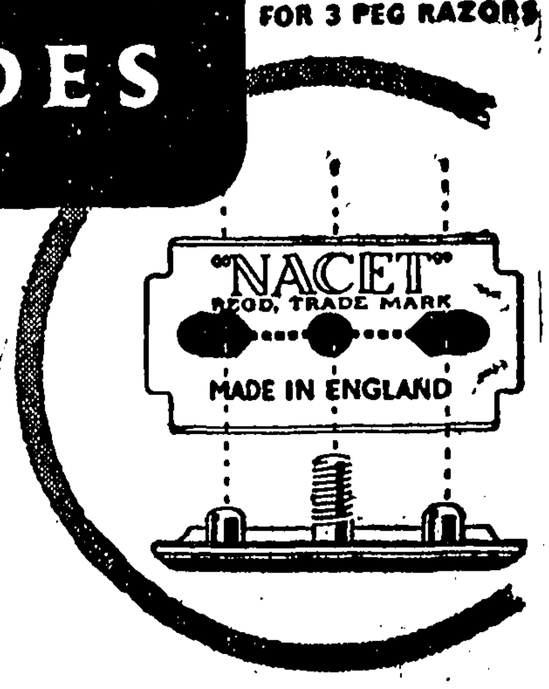


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# SEARCHING INQUIRY URGE

(Continued from Page 3)

First, a very late start was made to provide air raid shelters.

Next, a most lamentable lack of tact was displayed in the handling of evacuation. Government has already been severely censured for this by the public, and I mention it here only because it should be included in any debate which involves the review of the past year's policy and activities.

Some months ago, it was deemed advisable to establish a department for the control of immigration. Here again, it appears to have been thought necessary to lay emphasis on race distinction, for, if I remember rightly, in advertising for immigration officers Government made it clear that these posts were open only to British subjects of pure European descent. Now, Sir, this might possibly have been excusable if these were positions of comparative importance or of a specialised nature, but this is not so. Immigration officers have been recruited from every walk of life, and the fact that they are paid only $400.00 a month is another indication that the job is not one calling for any alleged superiority of blood or intelligence.

**More than once have I advocated that Government should draw no invidious and totally unnecessary distinctions in engaging its employees. But I suppose the policy is so ingrained that only where it is impracticable to pursue it will Government reluctantly adopt another.**

## "Part And Parcel"

If this constant discrimination were productive of something of value, if for example, it made for a high standard of efficiency, there might be something to be said for it. This however, is far from true, as Government knows from complaints in regard to administration brought to its attention by Unofficials and through other sources. My honourable friend, Mr. M. K. Lo, has already dealt with the inefficiency and incivility to be met with in the Immigration Department.

Complaints with regard to it are heard on all sides. Government's excuse so far as inefficiency is concerned will doubtless be the plea that this is a newly created department with a heavy volume of work to cope with.

Whether this is a valid excuse can only be ascertained on inquiry; and it is no answer to the charge of incivility. Complaints of a more serious nature have been made against this and other departments and I do not think I am exaggerating when I say that if more is not heard, it is because the people of Hong Kong are so enured to the many failings of Government that they have come to regard them almost as part and parcel of the system, to be borne with resignation.

There is perhaps one other reason why one does not hear more.

## The Law Of Libel

The Press is the usual vent for public feeling, but newspapers being subject to our very strict laws of libel, to the misfortune of the public in such a case as this, are not unnaturally careful, sometimes over-careful, as to what they publish. Sir, were these laws relaxed and were there any assurance that the airing of complaints and charges which were not mere groundless and wicked rumours would result in something being done, the correspondence columns of our dailies would be full of the most interesting disclosures and revelations.

**As things are, one cannot expect this, but to-day there are few people in Hong Kong who either do not know or have not heard reports of matters which have already reached even Government's remote ears, and which cry for investigation.**

Stories are circulating regarding the maladministration in departments whose importance is vital at the present time; it is the common belief that bribery and graft are rife; and the head of a department has been credited with the practice of nepotism in its ugliest form.

Such a state of affairs one has grown accustomed to associate with some Latin or Balkan States, with what justification I care not.

**That it should be permitted to exist in the Government of a British Colony is surely matter calling for the most searching inquiry. I suggest, Sir, that Government emulate the dictators in one regard, and take measures to purge its ranks.**

## MR. A. L. SHIELDS: RAYS OF HOPE

The Hon. Mr. A. L. Shields said:—In the Budget now before us we have the estimated revenue of $56,786,000.– the highest on record, but, nevertheless, the estimated deficit is $3,856,715.–, a matter of grave concern for this Council and the Public.

There are, however, some rays of hope in this gloomy picture, first that the recent and very necessary War Expenditure may be reduced and finally disappear, second that actual Revenue for the past three years has greatly exceeded the forecast and also the very heavy expense for emergency food reserves has been written off and should not prove to be a total loss.

I wish to thank His Excellency for agreeing to omit or reduce several items of expenditure in the draft Estimates as suggested by the Unofficial Members of this Council sitting in Select Committee.

## Police H.Q. To Wait

I refer particularly to the proposed new Block at Police Headquarters at $800,000 which can probably be built for considerably less when the cost of building materials comes down to normal. This question of cost of building also applies to the proposed Infectious Diseases Hospital at $1,900,000, of which it was proposed to provide $500,000 in 1941/2 leaving a liability of $1,400,000 on an uncompleted building for the following year with a contract placed at present high prices.

**Government estimates of cost are apt to be largely exceeded owing to "unforeseen circumstances" and to changes found necessary as work proceeds.**

The postponement of the Hospital contract may perhaps enable unanimity to be reached on what is really required, a subject about which, rumour has it, there is some difference of opinion.

If the Hospital is an urgent necessity can it not be built quickly in isolated blocks on the lines of the huts in St. John's Place? These appear to a layman to be much more suitable, as children with say mumps or measles would not be under the same roof with cholera or small-pox patients.

There are I feel sure several items under Public Works Extraordinary on which further economics can be effected and I hope the Hon. D. P. W. will do his best.

## Costly Experiment

I understand that at least one of my colleagues will speak on the subject of nightsoil removal being undertaken by a Government Department at a cost of $384,000 for coolies only, an item which once incurred will be recurrent.

This is a costly experiment at a time when War Expenditure is a heavy drain on our resources and one which I understand will meantime carry on the present system owing to the inability to provide improved receptacles. I sincerely hope the measure will be postponed until we can afford it.

**I am not happy about the provision of $4,700,000 for vessels to be presented to the Admiralty.**

This was authorised last year but no expenditure is anticipated for the financial period ending 31st March this year although the Imperial Government is in urgent need of destroyers or escort vessels for convoys.

The answer is, I understand, difficulty or delay in getting steel and special equipment which had to come from Home.

**Can we not help the cause more quickly and more efficiently by building standard ships which are also urgently required?**

We may be celebrating a victorious peace before these special vessels are in commission whereas freighters will be in demand long after the war is over.

Meantime the liability for $4,700,000 remains in our commitments and is a large enough sum to influence any inquiry into the necessity for increased taxation.

## Bogey Of Income Tax

The Hon. Financial Secretary's remarks, when introducing the Budget, raising the bogey of Income Tax came as a shock after the agreements reached last year.

War Taxation Revenue exceeded the estimated figures and the Finance Committee voted all supplementary expenditure for Defence. The Budget since its introduction has come within sight of being balanced.

**If further War expenditure is required this Colony will not grudge it, but let it be raised within the framework of the existing Tax Scheme by revising the rates of tax.**

The War Taxation Committee has been reconstituted under the pretext of an unbalanced Budget and we can only await the result of its deliberations but I believe any proposal to introduce Income Tax for ordinary revenue purposes will meet with even more opposition than did the suggested Income Tax to find money to assist in the prosecution of the War.

## Hard Facts

The items of expenditure which have been cut in the Estimates now before us might well have been pushed through if we had Income Tax, by the simple expedient of increasing the rate. In spite of the wish of the Secretary of State for the Colonies that development, social services, etc. should not be curtailed in war time we have to face hard facts.

We must keep a tight rein on expenditure by Government Departments on their pet schemes which may endanger the solvency of the Colony at a time when we need some dollars in the till and some untapped sources of taxation to meet further calls for defence and I hope offence.

**The lack of support for the last Government Loan should be a warning. The Public is deeply concerned over the high cost of Government, Pensions, etc. and about the carefree way in which Government spends its money.**

## MR. W. N. T. TAM: IDLE MONEY

The Hon. Mr. W. N. Thomas Tam said: — The Hon. Financial Secretary, in his speech introducing the Draft Estimates for the ensuing fiscal year, stressed the advisability of steering a middle course between ultra-conservatism and radical change. With this "golden mean of practicality", it is difficult to disagree; but while the Hon. Financial Secretary has adopted this praiseworthy policy in deciding what matters his Budget should cover, he would follow no such middle course when it comes to estimating Revenue and Expenditure.

In his estimates of our income, ultra-conservatism is noticeable; while as regards expenditure, the quintessence of pessimism is manifest. Caution in the extreme bids him to be content, not only with including under expenditure for one year, items which are meant to provide for a longer period, but to go further and to put away a few hidden reserves.

I do not propose here to go into great detail; as the points in justification of my statement have been raised and dealt with by my colleagues and myself who were on the Select Committee, to which the Draft Estimates were referred. I venture to give only two examples.

## New Duties

The Hon. Financial Secretary, in his Revised Estimates for the period extending from the 1st January, 1940, to the 31st March, 1941, a period of fifteen months, gives the figure for Ordinary Revenue, that is, apart from War Taxation, as $57,300,000. Using this figure as a basis for calculation and presuming the continuance of the existing state of prosperity, a factor on which the Hon.

(Continued on Page 9)

# "ULTRA-CONSERVATISM"

(Continued from Page 8)

Financial Secretary himself relies, the proportion for twelve months would be $45,840,000. This amount, although three lakhs larger, would seem at first glance to approximate and to bear out the estimate of $45,536,000, which has been given as the prospective Ordinary Revenue for the coming twelve months commencing from the 1st April, 1941, and ending on the 31st March, 1942; but it must be remembered that the former figure of $45,840,000 based on the revenue for the previous year does not take into full account the increase in petrol, spirit and other duties which have operated for only a portion of the fifteen months and moreover it takes no account of the increase in postage rates which was introduced as recently as the 1st day of the present month.

My submission therefore is that if these increases in taxation had operated for the whole of the previous fifteen months, the revenue for that period would have been immeasurably higher; the difference between the figure obtained by using that revenue as a basis and the figure given by the Hon Financial Secretary as a forecast would then be accentuated and the conservative nature of his estimate would be clearly seen.

In this connection, it may be noted that the Hon. Financial Secretary in his latest statement gives a Revised Estimated Revenue of $56,786,000, which includes War Taxation and new or additional duties; but as he has only added a provision for new duties and has made no revision in his former estimates, my remarks, in spite of the higher figure he has adduced, remains unaffected.

## Congratulation

In summarising the financial position of the Colony, the Hon. Financial Secretary deplored the fact that when the second instalment of the 1934 Dollar Loan was floated last June, it was necessary for Government to take up $5,790,000, more than half of the total, and that only was obtained only to the extent of $5,640,000.

Far from being a cause for dissatisfaction, it appears to me to be a case for congratulations, that the financial resources of the Colony should be in that happy state whereby the Colony could finance itself out of its surplus balances. The voicing of dissatisfaction, if any, must surely apply to the local money market, in particular to the local tax payer, that he should be obscured by such difficulties as to render his response to an attractive form of investment on favourable terms, so meagre.

So far as Government is concerned, while the liquidity of its assets may be impaired, no loss has been incurred. Government is only making use of its idle money; and the restoration of its cash position is being gradually assured by yearly redemption of the bonds from funds which are allocated for that purpose out of revenue.

Incidentally in this connection, provision has been made, under Head 22 of the Draft Estimates, as a charge on account of Public Debt, for the payment of a sum of $404,390 by way of interest on that particular loan. There is no doubt that, as Government is the holder of more than half of this loan, over two lakhs will be payable to Government itself; but nowhere is mention made of this attractive sum on the income side, a perfect example of what I have referred to as hidden reserves.

## Sound Policy

In the ordinary course of events, little criticism would be levelled at a Budget drawn on these lines, as it is sound policy for the guardian of the public purse to be prudent; but while prudence which leads to showing a deficit is understandable, it is time to ask for a return to a sense of proportion when that prudence becomes excessive. Its use is certainly unjustified to paint a picture so gloomy so that a call for further sacrifices may be unchallenged by a community, already burdened by greatly increased costs of living and bearing, albeit cheerfully, added taxation as a war responsibility.

If the dissemination of gloominess is intended to stimulate fresh efforts to support the war, then a direct exhortation to that effect may be productive of better results. Although as individuals, some of us might do more, we certainly cannot do too much, as far as Hong Kong is concerned, we have no need to be ashamed of the effort we have made, $10,000,000 per annum by way of War Taxation for a tiny colony, with a dearth of agricultural produce, few major industries, next to no mineral wealth and a total absence of precious metals, is no mean effort.

We have been criticised for the unfair incidence in our form of taxation. There are few of us who do not admit that there are faults as there are in every system. Nevertheless, while others are still in the process of deliberation and searching for an ideal, Hong Kong has for over a year been fulfilling its obligations.

It is regrettable that reference has been made to this subject and to the comparative merits of income tax. No good can come out of resuscitating a controversy long dead and buried. I do not intend to dwell on the subject, as I am confident that the War Taxation Committee which Your Excellency has reconstituted will make every endeavour to remove imperfections and to evolve as satisfactory a system as possible.

## Immigration

Coming to the working of the newly established Immigration Department, I would like to support the request which my Senior Chinese colleague has made with regard to a general speeding up in the issuance of immigration certificates. A simplification in the rules of procedure appears to be the solution.

At present, before an applicant can be issued with a certificate, he has to fulfill four requirements. Firstly, he has to obtain an application form, secondly, he must have photographs which are in accordance with specifications, thirdly, he must send in his application form properly completed and fourthly, he must apply for the certificate. In order to comply with these requirements, an ordinary person, in addition to his visit to an authorised photographer would, in all probability, be compelled to line up in a queue, in fair weather or foul, in sun or rain, for three consecutive occasions before he could obtain his certificate and then presuming no hitch had occurred.

I have learned that modifications have now been introduced so that a certificate may be obtained in as short a period as twenty-four hours. This is certainly welcome news, if true; but there are still other aspects of the problem to which attention should be given at an early date. I refer to the examination of ships on arrival, the return of deposits made by persons entering without certificates, the method of collecting and the fixing of the amount of these deposits and the necessity of paying deposits in Hong Kong currency.

I believe the general public is fair-minded enough to realise the difficulties which must be encountered in setting up a new department with the wide ramifications involved in the short time assigned and perhaps with an insufficiency of staff and office space. The public would not mind the delay and would be prepared to cooperate by suffering reasonable inconvenience, provided it is satisfied that the department is doing its best and is itself sympathetic towards the hardships of the public; but the complaint is that far from being helpful, the officials of that department have shown nothing but incivility and the result in the creation of considerable resentment on the part of the public which is now clamouring for satisfaction.

In fairness to the head of the department, I must qualify what I have said by stressing that whenever I have been deputed by my colleagues to see him, I have found him not only most affable and considerate but ready to meet any suggestions which we might have submitted.

## Collection Of Nightsoil

Perhaps the most controversial of the items which are now appearing for the first time in the Budget is the provision for a scheme, known as departmental collection, whereby Government will employ coolies, some 2,000 in number for the removal of nightsoil, the cost of the project to be met by an increase of one per cent. in the rates. My Chinese colleagues and I learn with deep satisfaction that it has been decided by Government that this scheme should stand over until further consideration has been given to the matter and that Government will refrain from expenditure without the consent of the Finance Committee. This decision is, in our opinion, a wise one.

We venture to suggest that, before committing itself, Government should examine carefully and find out exactly what are the improvements and advantages attached to departmental collection. All of us realise that the present system is far from satisfactory. We would welcome a change, but it must be a change for the better. How is the proposed system a better one? Surely not because some 2,000 coolies, hitherto free-lance would thereby become Government servants. Judging by the many representations which have been made, the coolies themselves do not appear to show any enthusiasm.

## Different Proposition

Although there must be reasons, we are unable to see where, from the point of view of public health progress lies, when the same old method is used and the same old set of coolies are employed. In fact, so far as the average tenant is concerned, he would far rather deal with the coolie working for himself, who in all likelihood would be a humbler individual than the same coolie working in the role of a Government servant. At least now, when a tenant has a complaint to make, he goes to a neutral party; but with departmental collection, he will be faced with the task of laying a complaint before the head of a Government department against one of his subordinate officers, a totally different proposition.

It appears to me that there is some confusion in thought as regards the issues involved. While improved transport or improved buckets would represent an improvement in the method of collection and will be beneficial, the change in the status of the coolie is unimportant and is not a condition precedent to the setting up of adequate supervision.

As an alternative and a more satisfactory solution, my colleagues and I submit that the Urban Council should consider the licensing of the existing coolies or a number of foremen to provide coolies, that the Council should take a deposit from them and see that they carry out their duties properly, any delinquency to be punishable by fine, the payment of which will be guaranteed by the deposits suggested, with the cancellation of licences in cases of grave or repeated offence. We would most respectfully urge Government to try this alternative solution before embarking on a scheme of departmental collection.

## "Lack Of Progress"

Further, we have been informed that the present coolies through their guilds have petitioned Government expressing their readiness to introduce improvements in transport and in receptacles and to meet any requirements which Government may stipulate. It therefore does not appear that Government should have any reason to be apprehensive of a lack of progress.

Finally, even if it could be shown, which many of us doubt, that it would be to the best interest of the Colony that departmental collection should be adopted, it nevertheless still remains for Government to be satisfied that the use of public money is necessary, particularly where further taxation is involved.

The people who have recourse to the present system have never refused to

(Continued on Page 11)


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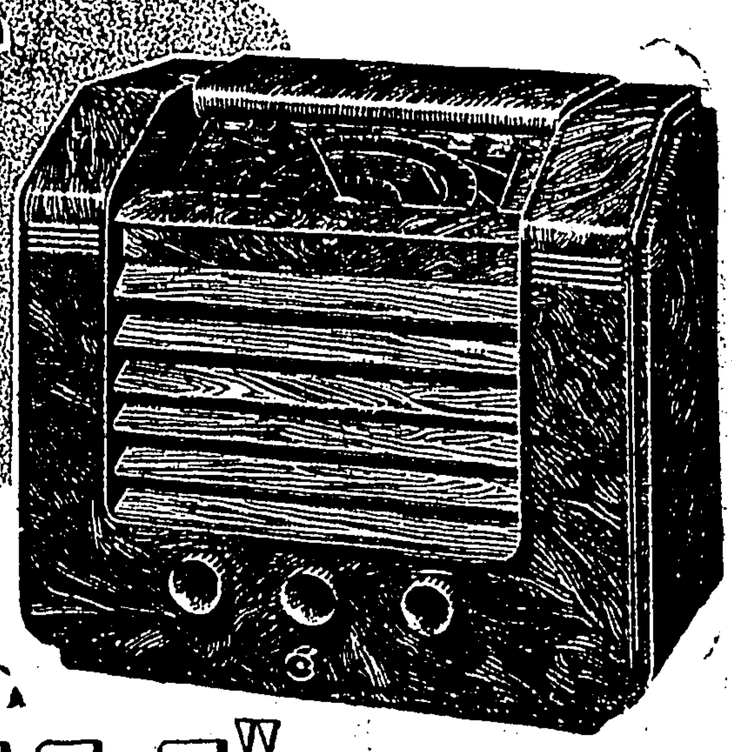

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The Undersigned have received instructions to sell by Public Auction on
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On View from Thursday, the 20th. February, 1941.

Terms: Cash on Delivery.

LAMMERT BROS.,
Auctioneers.

Hong Kong, 18th Feb., 1941.

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The Undersigned have received instructions to sell by Public Auction on
TUESDAY, 25th February, 1941
commencing at 5.15 p.m.
at their Sales Room, No. 2, Connaught Road, Central.
(2nd Floor)

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Terms: Cash on Delivery.

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Auctioneers.

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# NEW ADVERTISEMENTS

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## PUBLIC AUCTION

PARTICULARS AND CONDITIONS of the Sale by Public Auction to be held on Monday, the 24th day of February, 1941, at 3 p.m., at the Offices of the Public Works Department, by Order of His Excellency the Governor of one Lot of Crown Land at Tai Kok Tsui, in the Colony of Hong Kong for a term of 75 years, with the option of renewal at a Crown Rent to be fixed by the Surveyor of His Majesty the King, for one further term of 75 years.

Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant) will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, ($200) in cash. This sum will be refunded on payment of the Purchase price.

PARTICULARS OF THE LOT.

| No. of Sale | Registry No. | Locality | Boundary Measurements N. | S. | E. | W. | Contents in sq. ft. | Annual Rent | Upset Price |
|---|---|---|---|---|---|---|---|---|---|
| | | | ft. | ft. | ft. | ft. | | | |
| 1 | Kowloon Inland Lot No. 4292 | Tai Kok Tsui | As per sale plan | | | | About 5,000 | $92 | $10,000 |

The purchaser of the lot will be required to pay to the Auctioneer in cash the sum of $1000 (being 10% of the upset price) immediately after the fall of the hammer, the balance of the premium being paid in accordance with the Conditions of Sale.

---

## THE BANK OF EAST ASIA, LIMITED

NOTICE is hereby given that the TWENTY SECOND ORDINARY YEARLY MEETING of this Company will be held at the Registered Office of the Company No. 10, Des Voeux Road Central, on SATURDAY, the 8th March, 1941, at 2.00 p.m. for the purpose of receiving the Report of the Directors together with a Statement of Accounts for the year ended 31st December, 1940.

The Register of Shares of the Company will be closed from Saturday, 1st March, 1941 to Saturday, 8th March, 1941 (both days inclusive) during which period no transfer of shares can be registered.

By Order of the Board of Directors.
KAN TONG PO,
Chief Manager.
Hong Kong, 20th February, 1941.

---

## THE "STAR" FERRY COMPANY, LIMITED

### Notice to Shareholders

NOTICE IS HEREBY GIVEN THAT THE FORTY-THIRD ORDINARY YEARLY MEETING OF THIS COMPANY will be held at the Office of Messrs. Jardine, Matheson & Co., Ltd., on FRIDAY, the 28th February, 1941, at 11.00 a.m., for the purpose of receiving the Report of the Directors together with a Statement of Accounts for the year ended 31st December, 1940.

The Register of Shares of the Company will be CLOSED from Wednesday, the 19th February, 1941, to Friday, the 28th February, 1941, both days inclusive.

By Order of the Board of Directors.
C. M. MANNERS,
Secretary & Manager.
Hong Kong, 12th Feb., 1941.

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## THE HONG KONG JOCKEY CLUB

### ANNUAL RACE MEETING, 1941

Postponed to:—

THIRD DAY—
Saturday,—22nd February.

FOURTH DAY—
Monday,—24th February.

FIFTH DAY—
Saturday,—1st March.

On Saturday, 22nd and Monday, 24th February, the first bell will be rung at 11.00 a.m., and the first race will be run at 11.30 a.m. On Saturday, 1st March, the first bell will be rung at 1.30 p.m. and the first race will be run at 2.00 p.m.

The tiffin interval will be after the fifth race on the third and fourth days.

MEMBERS' BADGES AND ENCLOSURES

Members are reminded that they and their ladies MUST wear their badges prominently displayed throughout the Meeting.

NO ONE WITHOUT A BADGE WILL BE ADMITTED TO THE MEMBERS' ENCLOSURE.

Badges admitting non-members to the Members' Enclosure and Club Rooms at $10.00 per day including tax—or $40.00 including tax for the Meeting (ladies $5.00 and $20.00 respectively) are obtainable through the Secretary upon the written or personal introduction of a member, such member to be responsible for all chits, etc.

Badges admitting to Members' Enclosure will NOT be on sale at the Race Course.

The Secretary's Office, 1st floor, EXCHANGE BUILDING, (Tel. 27794) WILL CLOSE AT 9.45 a.m. ON THE FIRST FOUR DAYS, and at 11.45 a.m. ON THE FIFTH DAY.

A limited number of tiffins will be obtainable each day at the Club House, provided they are ordered in advance from the No. 1 Boy, (Tel. 21920).

NO CHILDREN WILL BE ADMITTED TO THE CLUB'S PREMISES DURING THE MEETING.

PUBLIC ENCLOSURE

The price of admission to the Public Enclosure is $2.00 per day including tax for all persons including ladies, and is payable at the Gate.

Soldiers and Sailors in uniform are admitted to the Public Enclosure at $1,00 per day including tax.

Bookmakers, Tic Tac men, etc., will not be permitted to operate within the precincts of The Hong Kong Jockey Club during the Race Meeting.

Tiffins will be obtainable in the Restaurant in the Public Enclosure.

SERVANTS' PASSES

Passes for Servants will be issued to Private Box holders ONLY on application to the Secretary, 1st floor, Exchange Building.

Any persons found loitering with Servants' passes in their possession will forfeit the same and will be removed from the Enclosure.

By Order,
C. B. BROWN,
Secretary.
Hong Kong, 9th. February, 1941.

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## WARNING

Business Houses are hereby warned that all payments in connection with the 1941 edition of The Hong Kong Dollar Directory should be made at the Offices of the publishers, through the post or by chit book.

No one is authorised to visit offices and collect money on behalf of this publication.

THE PUBLISHERS,
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Windsor House.

# BRIDGE NOTES

## REOPENING THE BIDDING
### By The Four Aces

Good players nowadays realise that it pays to keep the bidding open after partner has opened the bidding, even if one's own hand is pretty weak. When a good player fails to do so, therefore, it's a confession of abject weakness which may be turned to account by astute opponents:

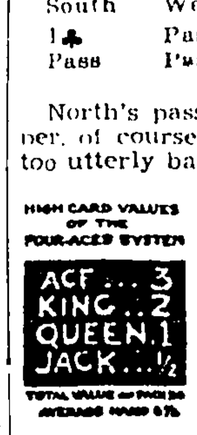
South, Dealer
Neither side vulnerable

| | | |
|---|---|---|
| | ♠ Q 9 5 2<br>♡ 10 8 3<br>◇ 10 7 3<br>♣ 10 5 2 | |
| ♠ 7 6<br>♡ J 9 5 4<br>◇ A 8 4<br>♣ A J 7 4 | N<br>W E<br>S | ♠ A J 8 4<br>♡ Q 7 2<br>◇ K Q J 6<br>♣ Q 6 |
| | ♠ K 10 3<br>♡ A K 6<br>◇ 9 5 2<br>♣ K 9 8 3 | |

The bidding:

| South | West | North | East |
|---|---|---|---|
| 1♣ | Pass | Pass | Dbl. |
| Pass | Pass | Pass | |

North's pass was perfectly proper, of course, since his hand was too utterly bare for even the most courteous of "courtesy" responses. East could have left his cards unseen on the table and could still have been pretty sure that the opponents had no game and that it was therefore safe to reopen the bidding. That is true in almost all cases where an opening bid is not kept open, for the passer shows a "bust" and the bidder cannot have game in his own hand since he did not make a two-bid.




But it isn't enough merely to reopen the bidding in the hope of getting a part-score of one's own or, perhaps, a hard-earned game. Of all reopening bids, the double is the least binding and the most likely to be profitable.

In to-day's hand, for example, East's double was a Takeout Double -- but it gave West the chance to pass for penalties. Had East reopened the bidding with one diamond, South would have passed and would have been out of his misery. As it was, he was set three tricks at his one-club contract; and the 500-point penalty was worth more than the rather doubtful game at no-trump which East and West might have made (but which they probably would not have bid.)

* * *

Yesterday you were Howard Schenken's partner, and with both sides vulnerable, you held:

♠ A Q 6 3
♡ 8
◇ A J 7 5 4
♣ K 10 2

The bidding:

| Jacoby | You | Maier | Schenken |
|---|---|---|---|
| 1♡ | (?) | | |

ANSWER: Double. The Takeout Double is the best way to show your strength and land in the best suit of the combined hands. To bid either of your suits risks a possibly disastrous penalty double and does not really show the nature of your hand.

Score 100% for double, 30% for two diamonds, 20% for one spade.

### Question No. 644

To-day you hold the same hand, and the bidding continues:

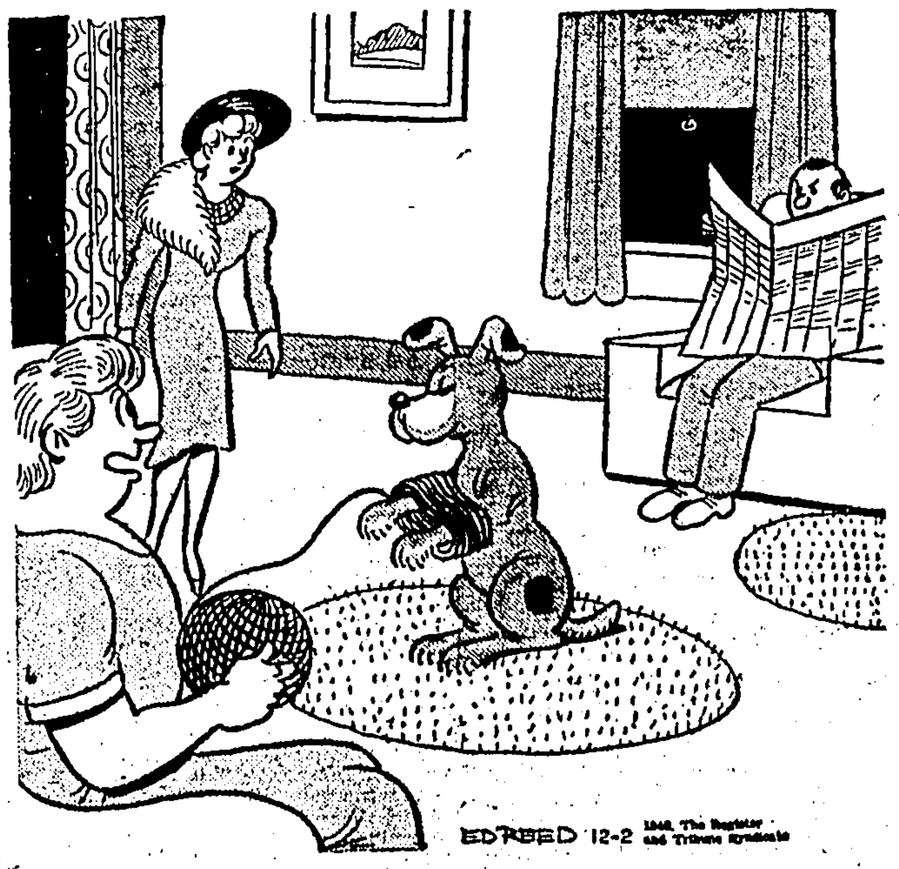
| Jacoby | You | Maier | Schenken |
|---|---|---|---|
| 1♡ | Dbl. | 1NT | 2♣ |
| Pass | (?) | | |

What do you bid? (Answer tomorrow.)

(Released By The Bell Syndicate, Inc.)

When the old-fashioned girl got a beau she considered it called for a feather in her cap but the modern miss thinks the event calls for an ostrich jacket.

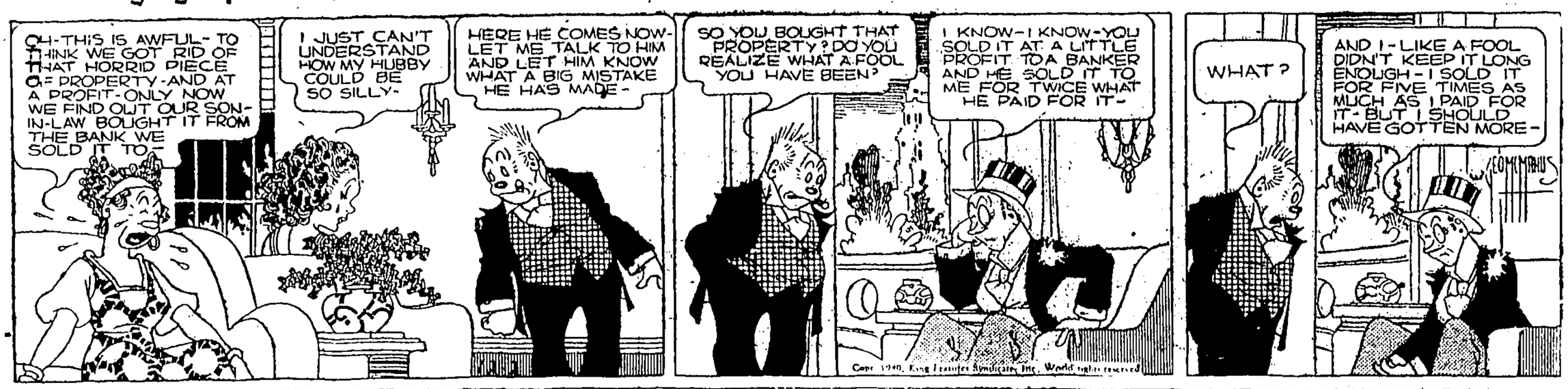
## OFF THE RECORD — By ED REED




"Stanley taught him to help me, so he wouldn't have to do it himself!"

*Here's Luck*
# EWO BEER
Tel. 30311

**Bringing Up Father** — **By George MacManus**




# BUDGET DEBATE

(Continued from Page 9)

pay. Take the poorer classes, whom it is intended to benefit. In their case there will be no relief; as we know that most of them are merely sub-tenants; and it will only mean that the principal tenant, who makes a business out of sub-letting will be spared a legitimate expense and will derive a bigger profit thereby; while on the other hand, tenants of property with a water carriage system will be penalised by higher rates. Can this be said to be an encouragement to the general introduction of water closets or is it not rather an inducement to cling to the old antiquated and much discredited system.

Government has attempted to justify the use of public money by claiming that it is through the use of public money that drains are laid. There is an obvious fallacy in this argument. Firstly, the drains are there whether water closets use them or not, they serve to carry away storm and sullage water, and secondly, drains alone do not make a water closet system, whereas Government, in cases where the owners of property have not thought fit to install water closets, will be assuming the whole cost of a system which takes the place of but is far less satisfactory than one of water carriage.

## Vice And Crime

I now come to a matter which affects the good name of the Colony and with which my fellow Chinese members have asked me specially to deal. Many a resident, alarmed by the serious prevalence of crime and vice has repeatedly approached us to press Government for more energetic action. We on our part have made repeated representations to Government, sometimes as the result of specific requests from members of our community, but more often than not, on our own initiative. The position is now getting from bad to worse. We know that the Hon. Commissioner of Police is doing all he can; but we feel that something more must be done.

The suppression of gambling, particularly of "Tse Fa" lotteries, which are fast becoming an open scandal, the eradication of open soliciting in the streets, the placing of a check on the activities of girl escort bureaux, the prevention of robbery and larceny, especially petty thieving and snatching in the streets form the list which we have been asked to bring to the attention of Government.

The stories of the existence of lands where one may sleep with one's front door open and not be robbed; where one may leave a parcel in a tramcar and have it returned the next day seem to us fantastic and fill us with wonder and envy. It is sad to think that we in Hong Kong must sleep behind iron grilles and bolted shutters and yet not be free from depredation. No one is respected, be he magistrate or policeman, be he taipan or ordinary shopkeeper. Nothing is free from filching. It may be only a plank from a staircase, a hook for fastening a window or a short length of wiring, the saleable value of which is infinitesimal though the replacement cost be high. As for motor cars, fountain pens and car rings, these are stolen, or picked from the pocket, or snatched in open daylight.

## Complex Problem

If all crime were the result of poverty, the search for a cure, difficult though it may be is not impossible; but if a gambler steals to get stake money and a dope fiend to satiate his desire, the matter becomes far more complex.

We realise the immensity of the problem confronting us. Apart from the question of arrest, which is a police matter, no permanent solution can be found without taking into account the provision of adequate prison accommodation, the creation of decent employment and the introduction of general education. The higher the ethical standard of the people as a whole, the less there is of crime; and it is by going to fundamentals that it can be hoped to efface all the sores with which this Colony is beset.

The leavening of the masses takes time; but there is no need to remind Government of the urgency of the problem. Next to the prevention of invasion from without is the prevention of lawlessness and disorder from within.

We therefore trust that Government will undertake its just responsibilities and will make more serious and more strenuous efforts to stamp out crime. We owe it to the innocent and the law-abiding to remove from them a constant fear of and a growing concern for lawlessness and insecurity.

## Essential Commodities

Finally I would like to draw the attention of Government to the necessity of maintaining a low price for the three commodities which the Chinese community considers essential for life, namely, rice, firewood and peanut oil. I know from information which has been furnished me as a member of the Finance Committee that considerable steps have been taken as regards the first two; but it is my earnest hope that more will be done in the near future; while as regards peanut oil, may I suggest that it should also receive consideration?

# MR. T. E. PEARCE: SLACKNESS CHARGE

Sir, the few remarks I have to make merely re-echo those of my colleagues.

When addressing this Council on last year's Budget, I strongly advocated postponement of a number of big projects until more normal conditions prevailed and the outlook was less obscure. I therefore whole heartedly endorse the remarks of the Hon. Mr. S. H. Dodwell and the Hon. Mr. A. L. Shields in their expressions of satisfaction that a number of such items have been shelved for the time being, and the expenditure involved deleted from this year's Budget. I am certain the Unofficial Members of this Council will give generous support to these postponed schemes, and any others which will be for the benefit of the Colony when normality returns and the Colony can afford the expenditure.

With regard to the Special War Budget, whilst it has been extremely satisfactory to find the sum raised last year approximates 9.4 Millions, against the original estimate of 6 Millions, I share the disappointment expressed by the Financial Secretary that the Business Profits Tax did not bring in to that total more than 9 lakhs. I believe this source can bear more of the burden, and feel the percentage and limits for taxation can be amended.

## No Change

I express the hope the Committee which is to review the whole question of Taxation will not otherwise change the present scale or disturb the organisation which has dealt with and collected the Tax up to date.

**I wish, Sir, to associate myself with the remarks made by my colleagues in regard to the lack of administrative ability and slackness displayed by several Heads of important Government departments.**

I express the hope that independent Committees of enquiry will soon be instituted to make close scrutiny into the running of these departments, and that these enquiries will be the means of correcting the grievances we are complaining of, though I have doubts whether there can be permanent satisfaction, until the present system in the Service, which seems to discourage initiative and ability, comes to an end.

# MR. LI TSE-FONG: FINANCE POLICY

The Hon. Mr. Li Tse-fong, who followed said: — The Honourable the Financial Secretary in his speech on the 16th January, 1941, reviewing the financial position of the Colony stressed the point that although the revised estimate anticipates a surplus of $17,213,670 at the end of the present financial year, this surplus is largely a nominal one. The Financial Secretary explained that out of this surplus of over $17,000,000, a sum of $5,790,000 was invested in the 1934-Dollar-loan, "while by the end of next year a total of over 4 million dollars will have been advanced in anticipation of a future loan." Granting that this statement is correct, it does not alter the fact that the estimated surplus of this Colony's assets over its liabilities, at the end of March, 1941, will be well over $17,000,000 although it may not consist entirely of cash. According to the financial statement published by Government on the 5th February, 1941, the Colony's actual surplus at the end of October, 1940, was more than $21,000,000 of which a sum of over $18,000,000 was classified as cash and advances. This represents a very high ratio in relation to the amount of revenue from ordinary sources.

**If this Colony were a corporation I would certainly congratulate those in charge of its affairs on its very strong financial position. But as a Government it is open to criticism.**

It may be criticised that either it has failed to carry out and develop fully its social functions or it has taken more revenue than was necessary from the people by way of taxation.

## Relic Of Middle Ages

I submit, Sir, that this practice of keeping a surplus was a method adopted by Governments during the Middle Ages and has long been considered as bad financial policy. It is well established in practical financial administration that surplus financing encourages extravagance and that there is no necessity whatever for a state to keep a surplus.

I mention this not because I wish to suggest that the estimated deficit for the next financial year should be met by drawing on this surplus as I hope that there will be no necessity to do so. But I believe that this policy of accumulating surplus is fundamentally wrong. I admit that the existence of a large surplus gives a certain degree of convenience to the administration because it has at its disposal, what one may call, a special fund from which it can draw for the purpose of financing public works. However, I venture to say that this practice of drawing upon the surplus to finance public works does not conduce to good financial organisation and careful budgetings. With a surplus to fall back on there is a possible temptation on the part of the administration in presenting its annual budget to the legislature, to withhold complete statement of its needs for fear that its estimates may be cut down. Another possible abuse in the use of the surplus is that the administration may be spending public money first, before coming to the legislative body for approval.

## An Emergency

It may be said in favour of this policy that the object of maintaining a surplus is to have a reserve in case of emergency. If that was the intention, I think the present moment is the proper time to make use of such surplus. A portion of it may be set aside for the cost of the proposed building of two ships to be presented to the Admiralty and War Department and the remainder can be used for carrying on defensive works in the Colony. If Government were to agree to this course, there would be no deficit in next year's budget and no necessity to curtail its social services. Indeed all social services can be further expanded with revenue coming in from ordinary sources.

It is evident from the operation of the War Revenue Ordinance that the taxable ability of the community is extremely good as well as extremely flexible. I submit, Sir, that this ability and flexibility of our taxation system constitute the real reserve of our financial power which has stood the test of time remarkably well.

I will now pass on to make some general remarks on the estimates for the next financial year. The figures in the estimates have been carefully considered and closely scrutinised by the Select Committee of this Council and I will confine my remarks to the general policy in connection with them.

Before I offer my views I wish to state that I am in general agreement with the remarks made by my Senior Chinese Colleague in regard to the War Revenue Ordinance, and Death Duties and his criticism on the working of the Food Control Department and the Immigration Department.

Among the proposals for increased taxation for the purpose of raising further revenue, the Financial Secretary has suggested three alternatives which are briefly as follows:—

(Continued on Page 13)

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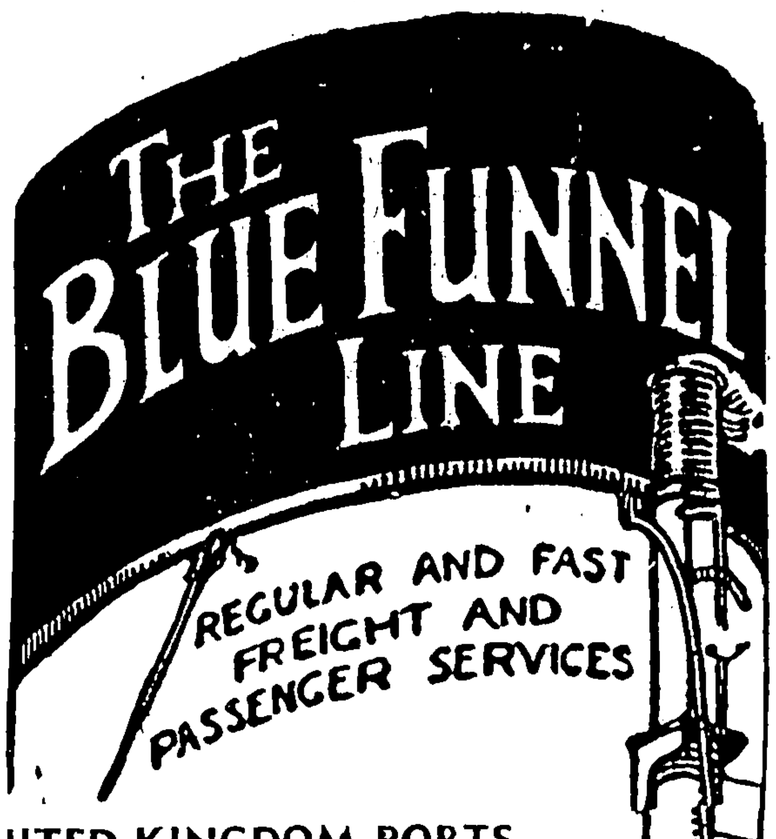


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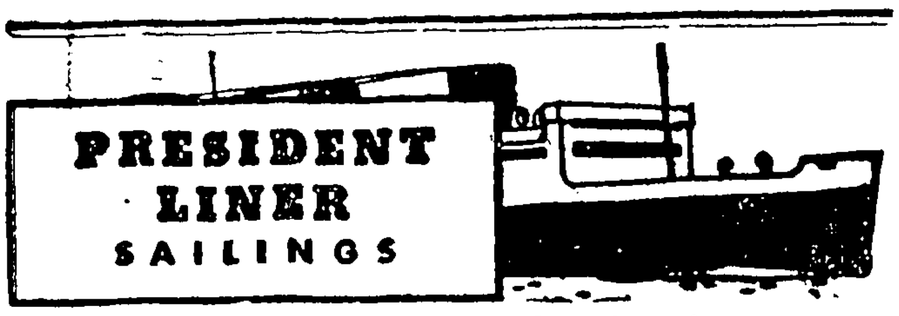

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| S.S. "PRESIDENT GRANT" | March | 23 |
| S.S. "PRESIDENT JACKSON" | March | 23 |
| S.S. "PRESIDENT HAYES" | April | 20 |

### TO MANILA

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| S.S. PRESIDENT PIERCE | February | 26 |
| S.S. PRESIDENT TAFT | March | 11 |
| S.S. PRESIDENT CLEVELAND | March | 26 |

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## INWARD MAILS

### THURSDAY

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Calcutta, Straits and Air Mail by "British Overseas Service" (except London) by Sea from Singapore Straits and Air Mail by "British Overseas Airways Service" (Australian mail only) by sea from Singapore.
Calcutta and Straits.

### FRIDAY

United Kingdom and Straits.
Canton
Sandakan

### SATURDAY

Air Mail by "Pan-American Airways Direct Service"—San Francisco date, 15th February.

### SUNDAY

United Kingdom and Straits.

### MONDAY

U.S.A., Honolulu, Japan and Shanghai. (San Francisco date, 7th February).
Canton

## OUTWARD MAILS

| FOR | DATE & TIME |
|---|---|

### THURSDAY

| | |
|---|---|
| Saigon | 2.30 p.m. |
| Manila, Australia and New Zealand via Brisbane. | |
| K.P.O. | |
| Parcels | 4.00 p.m. |
| Reg. | 5.00 p.m. |
| Ord. | 5.30 p.m. |
| G.P.O. | |
| Parcels | 4.00 p.m. |
| Reg. | 5.00 p.m. |
| Ord. | 7.00 p.m. |
| Saigon | 7.00 p.m. |

### FRIDAY

| | |
|---|---|
| Straits and Rangoon | 12.30 p.m. |
| Air Mail by Air to Rangoon to connect with the "British Overseas Airways." | |
| K.P.O. | |
| Reg. | 4.00 p.m. |
| Ord. | 4.30 p.m. |
| G.P.O. | |
| Reg. | 4.00 p.m. |
| Ord. | 4.30 p.m. |
| Canton | 7.00 p.m. |

### SATURDAY

| | |
|---|---|
| Air Mail by Sea to Singapore to connect with the "British Overseas Airways". | |
| K.P.O. | |
| Reg. | 2.00 p.m. |
| Ord. | 2.30 p.m. |
| G.P.O. | |
| Reg. | 2.00 p.m. |
| Ord. | 2.30 p.m. |
| Straits, Rangoon & Calcutta | 3.30 p.m. |
| Shanghai, Japan, Honolulu, U.S.A., Canada, Central and South America and *United-Kingdom via San Francisco. (No Parcels for United Kingdom). | |
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| K.P.O. & G.P.O. | |
| Parcels | 3.00 p.m. |
| Reg. | 4.45 p.m. |
| Ord. | 5.30 p.m. |
| Air Mail for Manila, Guam, Honolulu, U.S.A. and Europe via "Pan-American Airways and Trans-Atlantic Services". | |
| K.P.O. | |
| Reg. | 5.00 p.m. |
| Ord. | 5.30 p.m. |
| G.P.O. | |
| Reg. | 5.00 p.m. |
| Ord. | 3.30 p.m. |
| Straits, Ceylon, India, East and South Africa | 5.30 p.m. |

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# RADIO

12.28 p.m.—Brahms — Double Concerto in A Minor, Op. 102.
1.03 p.m.—Charlie Kunz at the Piano.
1.15 p.m.—Concert Waltzes by The Orchestra Mascotte.
1.30 p.m.—Reuter and Rugby Press. Weather Forecast and Announcements.
1.45 p.m.—Sophie Tucker and Stanley Holloway in Variety.
2.15 p.m.—Close down.
5.45 p.m.—Indian Programme.
6.32 p.m.—The Don Cossacks Choir in a Russian Programme.
7.00 p.m.—London Relay—The News.
7.15 p.m.—London Relay—'Meet Uncle Sam'.
7.30 p.m.—Dance Music by the B.B.C. Dance Orchestra.
8.03 p.m.—Robinson Cleaver (Organ) and Patricia Rossborough (Piano).
8.15 p.m.—Studio—Local Newsletter.
8.30 p.m.—Variety with Sandy Powell and Pat Kirkwood.
9.00 p.m.—London Relay—The News.
9.15 p.m.—London Relay—'Questions of the Hour'.
9.30 p.m.—A 'Cello and Piano Recital by Casals and Gieseking.
9.55 p.m.—Beethoven—Symphony No. 9 in D Minor, Op. 125 "Choral".
11.00 p.m.—Close down.


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# BUDGET DEBATE

(Continued from Page 11)

(1) To increase the existing rates under the present War Revenue Ordinance.
(1) To amend the present War Revenue Ordinance.
(3) To impose a "proper" Income Tax.

I do not intend to deal with these suggestions to-day but I wish to state that, as far as revenue is concerned, the operation of the War Revenue Ordinance appears to be highly satisfactory.

## Tax Yields

I gather from the Financial Secretary that he is quite satisfied with the yield of the Property-tax, the Salaries Tax and the Corporation Tax. Indeed Corporation Tax alone is expected to bring in no less than $5,500,000 against an estimated return of $6,000,000 from the four taxes imposed by the War Revenue Ordinance. As far as I can see the Financial Secretary's main disappointment is in connection with the smallness in the return of the Profit Tax, which is expected to produce a revenue of $900,000 only. It should, however, be remembered that the War Revenue Ordinance has only been in operation for less than a year and that a tax of this nature generally takes some time before it can be effective.

It is quite true that businesses include all non-corporation firms and professional men, who do not pay Salaries Tax, but it must not be overlooked that the majority of these non-corporation firms consists mainly of small shop keepers whose capital, as a rule, is small. If there were obvious evasion and unfair incidence, I venture to think that the remedy is to amend the War Revenue Ordinance.

His Excellency has already reconstituted the War Revenue Committee in order that the Committee may re-examine and advise Government on the existing measures of war taxation in the light of the Colony's present financial position and the actual receipts from the four taxes imposed by the War Revenue Ordinance. It is the task of this Committee to find some practical solution and to give Government advice as to the best means of raising revenue to meet War expenditure under prevailing conditions. I will therefore abstain from making further comments.

With regard to the provisions for the daily collection of nightsoil to be undertaken by Government I understand that such provisions would not be carried out if there were no sign of any improvement in the Colony's finance. I do not think that it is quite correct to say that the Urban council, of which I am a member, has definitely suggested to Government to put an increase of one per cent on rates in order to meet expenditures on this undertaking. As a matter of fact when this matter was brought up for consideration, the question of finance had not been discussed. I consider that it is not fair to place the entire burden on property owners without regard to the fact that some of the tenements have water flush systems. I wish to point out that this responsibility of daily collection of nightsoil, if undertaken by Government, is a service rendered to a particular class of the community and that class should pay for it.

My Chinese colleague the Hon. Mr. Tam has spoken very fully on this subject. While I agree that the scheme sponsored by the Urban Council is an improvement, I feel that unless Government is in a position to carry out that scheme in full, the alternative method mentioned by Mr. Tam in dealing with the existing system appears to be a practical one.

## Primary Education

In the matter of education I welcome the provision for a new subsidy code for vernacular schools which makes generous provisions for subsidies to schools on the basis of approved expenditures on salaries of teachers and rent of school buildings. As a member of the Board of Education I firmly believe that in the educational system of this Colony it is Chinese primary education which urgently needs development. At the present time the development of Chinese primary education is left almost entirely in the hands of private enterprises and I do not think that a satisfactory system can be achieved without Government taking a leading part in its development. I wish therefore to urge Government that as soon as the financial position permits, it should proceed with the programme for the development of Chinese primary education. This programme has been carefully considered by the Board of Education and submitted to Government by the Director of Education with the full and unanimous support of its members. I venture to think that this programme is not an extravagant one and does not call for heavy expenditure which will be spread over for a number of years.

I consider that, of all expenditures on social services, expenditure on Chinese primary education should receive first consideration. If we were able to prevent, by providing proper education, a large number of young people from falling into the criminal class, it would relieve this Colony from other heavy burdens such as increased police force.

With regard to the recently established Immigration Department I wish to make the following observations. I believe that the imposition of restriction on free immigration was a new departure of the well established policy of the Colony to keep this place open to the Chinese. I must say restriction of this kind is quite a common practice in other parts of the world but with this colony's close relation with China, such a step can only be considered as an emergency measure forced upon us by prevailing circumstances. I believe that many of the social evils prevailing in the Colony are closely connected with this difficult problem of excessive population and I have, therefore, no hesitation in agreeing that some sort of restriction on the ever-growing population is, at the present time, desirable. I presume that it was on economic grounds that Government had been advised to introduce this measure.

## An Assurance

When this measure of immigration control was brought before this council for consideration last November, the Government assured us that "the Immigration Department is to be administered in the interest of passengers and all shipping generally and not to cause any obstruction or inconvenience that can be possibly avoided." In spite of this assurance there have been many complaints against the administration of this department. From the general public these complaints have been mainly directed against the difficulty in obtaining the necessary forms, the unusual delay in issuing certificates and the insistence that photographs must be taken by "approved" firms. From the shipping concerns they have been connected with the undue delay in the examination of passengers' papers and the absence of posting immigration officers on board ships to facilitate such examination. The Chinese member on the Executive Council as well as my two Chinese colleagues on this council and I have found it necessary to address a joint communication to the Honourable the Colonial Secretary in regard to some of these complaints and in our opinion there are urgent needs for reform in the method of conducting this department. I may add that the attitude of those in charge of this department towards the general public is not at all helpful.

On the question of Food Control, I wish to urge Government to pay its closest attention to the recent rise in the cost of living in the Colony particularly rice and firewood. These are the two daily necessities of the Chinese Community. The rise in the prices of these two commodities is a serious matter for the Chinese, particularly the middle and poor classes, and I consider that Government should take vigorous measures to combat this evil. With regard to rice I know that measures had been taken and are being taken by Government to check the abnormal rise in the price of this commodity at the end of 1940. While I recognise that such measures have, to a certain extent, met with some success, I feel that Government should now review the whole situation carefully with the object to secure an effective control over the rice stock in the colony both in regard to quality as well as quantity. There has been a report that some of the stocks are of such a poor quality that they are not fit for human consumption.

## Firewood Ramp

The position of firewood in the domestic life of the Chinese community is second in importance to that of rice. The situation has gone from bad to worse during the last few months. This might have been caused by seasonal demands such as the Chinese New Year but I have no doubt that it has been aggravated by the activities of unscrupulous profiteers. It has been proved that the cost of firewood imported into Hong Kong including freight and all landing charges is far below the prevailing market price demanded by exorbitant dealers. I understand that Government are now taking measures to relieve the present situation and I believe that such measures will meet with success.

Before I resume my seat I wish to say how regrettable it is that we have found it necessary to cut down a good deal of Public Works Extraordinary not so much as a desire to balance the budget but as an effort to conserve, although in a very small way, the much needed foreign currency and tonnage for the successful prosecution of the War. I realise that the tendency to-day is for Government to play a more pronounced part in the social and economic life of the community and to shoulder increased responsibilities and additional duties. I hope that with the return of peace it would be possible for this Colony to go forward with such increased responsibilities and additional duties.

# MR. BUTTERS REPLIES

The Hon. Mr. H. R. Butters, replying, said: "May I preface my reply by thanking the senior Unofficial Members, European and Chinese for their generous remarks regarding myself and express my gratitude to all Members of Finance Committee for their cooperation while I have been Financial Secretary. I would add parenthetically for the information of the Honourable Mr. M. K. Lo that the point he raised in connection with the War Revenue Ordinance regarding Chinese partnerships has already been taken up by me with the Commissioner of War Taxation.

Sir, I shall confine myself to the financial aspects of certain criticism which has to-day been made by the Honourable Unofficial Members. That criticism has been directed mainly, not to the details of the estimates of expenditure as now presented, but to the picture of the revenue position, and to the proposals to improve it. I have never viewed the expenditure programme as ideal, but I submit it is necessary. It omits many items highly desirable. No one who has not attended meetings of the Estimates Committee, which deals with departmental schemes, can realise how many are these omissions and how great the sacrifices made. I think there is general agreement as to the details now included.

## Surplus Balances

**It is the problem of how to finance the expenditure for next year which finds us divided, not Unofficials from Officials, but even Honourable Unofficial Members among themselves.**

In spite of what I stated in connection with the general reserve balance, or so-called surplus balances, at the last meeting of this Council, the Honourable Mr. Li Tse Fong proposes that we should have recourse to this balance to finance war expenditure next year, and he adds the interesting theoretical argument that a balance is a medieval survival which a modern state has no need to keep. It may be possible in a totalitarian economy to dispense with a balance as it is possible to dispense with normal backing for currency, but this Colony does not possess a self-contained economy and is largely an entrepot for China and its prosperity depends to a large extent, I submit, on the soundness and orthodoxy of its finances and the confidence they inspire both locally and in China. I stated at the last meeting that our real balance was about 7 million dollars. I exaggerated. The reserve balance of this Colony as I have informed Honourable Members on a previous occasion is impressed with a trust in so far as the compulsory contributions of Government officers to the Widows' and Orphans' Pensions Scheme have been paid to revenue and no fund has been established to meet the outgoings which Government has undertaken to pay.

## No Emergency

So far income in this connection has exceeded expenditure, but the position is not satisfactory though it cannot be said without actuarial investigation how many million dollars should be earmarked for this fund, but I am afraid the position is that the reserves with which the Honourable Mr. Li Tse Fong wishes to meet next year's extraordinary commitments do not morally exist, though they can to a certain extent be made available in an emergency. I agree with him that balances may properly be used to meet an emer-

(Continued on Page 14)

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# GOVERNMENT REPLIES TO CRITICISMS

(Continued from Page 13)

gency, but only a financial emergency and there is none such at present, and I decline to treat next year's budget, though including large defence expenditure, as an emergency and not mainly a normal budget. But if we have no balance to draw on to meet unforeseen expenditure how are we to carry on? The experience of the recent loan is a warning that we cannot borrow at least at a reasonable rate of interest. Incidentally the Honourable Mr. Tam has misinterpreted my remarks in that connection. I deplored nothing. I stated that Government took up so much. In fact it decided on that amount before the issue, as the prospectus indicates and was not left with that amount in its hands, but the fact remains that there was little public response.

In my experience this Colony never enjoys a prolonged period of financial normality with a steady and reasonably predictable income. It is either enjoying a boom or suffering from a depression. At present I submit it is having a boom, and in spite of the high cost of living a great number of people in this Colony are enjoying unprecedented prosperity. Even the large local expenditure on defence has served to pump customers purchasing power into the pockets of many and stimulated trade. If at any time the Colony is able to meet its expenditure, even swollen by our defence requirements, it is now, and that expenditure should be met so far as possible, and I submit that means entirely, from current revenue.

## Revenue Outlook

The revenue calculations for next year are based on the continuation of the present prosperity of the Colony and in the present world situation I submit that represents a certain degree of optimism. Several Members have reminded us that of recent years actual revenue has exceeded the estimate and, therefore, should continue to do so, and that we should be satisfied with thinking that all will be well and that everything from the revenue point of view will automatically turn out satisfactorily.

**One Member has gone so far as to accuse me of conservatism, caution and pessimism. If by pessimism he means endeavouring to foresee and obviate difficulties I confess I am pessimistic and nothing that I have heard in the speeches of Honourable Members to-day has relieved my pessimism.**

It is said that I have sought to build up hidden reserves and have written off expenditure incurred on food reserves. I only wish I had more hidden reserves to confess to. The expenditure on food reserves has not been written off, though it is not possible to estimate how much of it will be recovered, and we are at present dealing with the expenditure for next year. If these reserves have to be maintained throughout the year there is bound to be a loss in turnover and replacement whatever eventual sum may find its way to revenue. And to charge the cost to expenditure instead of opening a suspense account is the proper way to maintain control in the hands of the legislature.

## Income Tax

It has been alleged that by these devices and on the pretext of an unbalanced budget I have raised the bogey of Income Tax. I do not propose to discuss that matter, which can well be left to the reconstituted War Revenue Committee, but it is my duty to point out as the Honourable Mr. Dodwell has stated that this Colony is ridiculously lightly taxed in comparison with Home, and in my opinion it must have balances, and adequate balances, not only to meet an emergency but to even out the fat and the lean years if any planned development is to be undertaken.

In this connection I would state that Sir Geoffry Northcote, shortly before he departed on leave, instructed me to prepare a programme for this Colony in connection with the Colonial Development and Welfare Scheme, which I have failed to do.

I have spent considerable time on the problems and the more I investigated the greater they appeared and the necessity for elaborate planning embracing harbour development, town planning and slum clearance, agriculture and fisheries, health and education became increasingly apparent. All that we have been able to do has been to include with the approval of all Members of this Council, provision for the Fisheries Research Station and the Experimental Agricultural Station in the New Territories in next year's estimates to be met from Colonial funds. That is only a small proportion of what is required. It may be said that such development is not practical politics at the present time. That may be so but the budget was framed as I stated already to make due provision for defence and social services.

## No Oppressive Taxes

There is no oppressive taxation in Hong Kong at this time, and I submit that none of the new taxat on proposed is oppressive and that this Colony ought to be able to provide from its current revenue all the expenditure included in these estimates and necessary. I appeal to Honourable Members not to spend the meagre reserves inherited from the past nor to seek an overdraft on the future, but to endeavour to meet current expenditure from current revenue, bearing in mind that the purpose of that expenditure is largely defence and social services, or, if I may otherwise express it, the preservation and promotion of our civilisation.

## MR. N. L. SMITH WINDS UP

Winding up the debate, the President, the Hon. Mr. N. L. Smith said:

I have listened with great interest to the speeches of Honourable Unofficial Members both on the subject of the 1941-42 Budget and on other subjects which are of general concern to the community and which are very properly raised in this annual debate. The Financial Secretary has replied to the financial points raised by Honourable Members and it remains for me, in closing the debate, to refer to the more important of the other questions which have been touched upon.

There are three major administrative questions that have come in for considerable criticism, not only in to-day's debate but in the discussions which preceded this meeting and, to some extent, in the correspondence columns of the local press, namely Immigration, Food Control and Firewood Control.

**I am authorised by His Excellency the Acting Governor to state that he has yesterday, with the consent of the Executive Council, decided to appoint a strong Commission, the composition of which will be announced without delay, to enquire into various allegations which have recently been made against the Immigration Officer and his staff.**

With this in view it would be improper for me to discuss the matter in this Council, but I should like to assure Honourable Members that in the last few days Mr. Forrest has been provided not only with additional accommodation but also with another capable administrative assistant. I will not say more except to state that the foundations of the department were, in the opinion of the Government, laid on the best lines advised by an expert from Malaya; and also that the urgency of starting the Immigration Department was constantly pressed upon Mr. Forrest in spite of his requests for more time for preparation.

## Food Control

**As regards Food Control, also, to-day's debate comes at a somewhat inopportune moment as the whole organisation of this important defence department has been, in the last week, under very active scrutiny. An announcement on this subject will be made at an early date.**

The price of firewood and the conservation of adequate reserves for defence purposes has for long been the concern of this Government, which sent, a month or so ago, a special representative to enquire into this vital necessity in Manila, Borneo and Malaya. The first shipment of Government purchased firewood from Sandakan may shortly be expected and it is hoped that this and subsequent consignments will go some distance towards a solution of this difficult problem.

The Honourable Mr. Tam has remarked on the present lawlessness in the Colony and this is only too apparent from accounts that come from various sources. Such a state of affairs is hardly unexpected at a time when Hong Kong is as overcrowded as ever and when so great a part of that surplus population comprises the paupers, and so the potential criminals, of the neighbouring parts of South China. Banishment plus a rigorous enforcement of the Immigration Ordinance are the most obvious remedies; but I think it is also to be noted that in existing circumstances of military precautions the calls on the Police Force are so great that some diminution in their normal duties of preventing crime is hardly unexpected.

## Government Servants

The Honourable Mr. Paterson and the Honourable Mr. Dodwell have both remarked on the ill effects, especially noticeable in times of crisis, of the apparently inviolable position enjoyed by Government servants and the difficulties which lie in the way of discarding the inefficient. Unfortunately, perhaps, fortunately for the officers concerned, perhaps, neither the Government nor this Council has an entirely free hand in this matter, as was explained in the 1939 Budget debate (1939 Hansard, p.225), as the rules under which all Government servants above a certain rank are governed in all matters of discipline, salary, increments and the like are universal throughout the Colonial Empire.

Another point raised by the Honourable Mr. Dodwell has also been the subject of earlier discussion in this Council, namely his attempted comparison between the sums spent on personal emoluments and the sums spent on social services. This, I think it will be agreed, is a cross-division, as doctors and schoolmasters and market inspectors must draw salaries just as much as those officers whose duties are merely administrative. A study of the final column on page 15 of the Estimates now presented, which shows the percentage which each Government department bears to the total expenditure for the year, would, I suggest, give a clear view of any disparity such as Mr. Dodwell criticises.

## Vessels For Admiralty

The point which the Honourable Mr. Shields makes about the provision of vessels for the Admiralty will be further examined. It is quite true that at the time when this offer was made it was I think generally thought that the War was a remote incident to which the Colony should contribute in this remote way, and there was little expectation of the vast local preparations which have been forced upon us since the events in Europe of last summer. At the same time the offer was a firm one and, even if no actual expenditure has yet been incurred, it may be felt that the question of dishonouring that promise should not be considered so long as our local revenue comes in at its present rate. I cannot, however, say more on this subject at the moment except to promise a full and early examination.

**No one, gentlemen, can say that to-day's debate indicates a subservient or an uncritical attitude such as has occasionally been charged against the Unofficial Members of this Council.**

I venture to say that the healthy and helpful criticisms such as we have heard to-day are welcomed by the Government and are evidence of the appreciation of those Members of their important duty as representatives of the public. Whether on matters of detail in our Finance Committee discussions or on broad questions of policy as in to-day's debate I have personally always found those representatives constructive in their criticisms and jealous guardians of the public good.

## PETROL RATIONING WARNING

The Hon. Mr. H. R. Butters, Financial Secretary, moving the first reading of the appropriation bill, gave warning that petrol rationing might be necessary. He said:

The duty on light oils, that is on petrol, was increased to 80 cents per gallon on the 7th November, 1940. The object of the increase in petrol duty is, by reducing consumption, to conserve foreign exchange and save tankerage. It is not intended as a revenue producing measure.

**I am authorised to state for the information of Honourable Members and as a warning to the public that if this measure fails in its primary object, namely, to reduce consumption particularly in respect of private cars, the rationing of petrol may have to be introduced.**

The increase in the duty on heavy oils to be used as fuel for heavy oil road vehicles from 30 to 40 cents per gallon and the imposition of a duty of 10 cents per gallon on other hydrocarbon oils (Kerosene) hitherto untaxed, with effect in both cases from the 16th January, 1941, are, as indicated in my speech to this Council on that day, revenue producing measures.

# BALLOON BARRAGE SUCCESS

Including an enemy raider brought down by collision with a balloon cable — announced in an Air Ministry communique — balloon barrage crews destroyed three night raiders in eight days this month, states the Air Ministry news service.

The other two were shot down by gun crews of the balloon barrage.

The first bomber crashed into a balloon cable. The engines of the raider failed after a blue flash was seen in the sky and the aircraft fell into the sea.

**Three nights later the crew of a barrage balloon opened fire on an enemy bomber. Immediately there was an explosion and a sheet of flame and the aircraft dived into the sea about a mile and a half away.**

Another balloon barrage brought down a third bomber five nights later. The gun crew held their fire until the aircraft was directly overhead when they opened up and hits were registered on the machine. Shortly afterwards the bomber burst into flames and crashed a few miles away.

Although their normal work is to operate balloons the crews of the balloon barrage are trained gunners. — British Wireless.

# OLD MEN, BOYS, HELP GREEKS WIN

**OLD MEN AND boys, armed with hunting guns, blunderbusses and bill-hooks, and shepherds using grenades instead of stones in their slings, helped to rout the Italians in the mountains of Northern Greece.**

The story of this smashing of the Italian mechanised army's first assault on the Greeks in the Pindus Mountains was told for the first time when wounded Greek officers reached their base hospitals.

Evzones, the famous Greek kilted soldiers, and peasants share the credit for this amazing victory.

With his wounded leg propped up in bed, an Evzone sergeant told yesterday how his S.O.S. for reinforcements to meet the Italian attack was answered in surprising fashion.

**"We were amazed and disappointed," said the sergeant, "when hundreds of old men and boys, armed with hunting guns, blunderbusses and bill-hooks—many of them left over from the Turkish war—turned up.**

"They begged to be allowed to fight for revenge, as Italian 'planes had bombed their village, killing seventeen.

The peasants with long-barrelled guns were wonderful. They didn't waste a single shot.

"Shepherds used grenades instead of stones in their slings against the Alpini, while mule teams were bringing up mountain guns.

**"When the Bersaglieri tried to scale the sides of the ravine, we used bayonets, and the peasants used their knives."**

How a herd of wild pigs frightened one group of Italians was told by a bearded Greek soldier in the next bed, whose eyes twinkled beneath his bandaged head.

"Our company," he said, "didn't have a chance of a straight fight. We were outnumbered. We sniped during the day, and at night heard firing in the valley. We thought our troops were counter-attacking.

**"The next morning we found the Italians had left two machine-guns and rifles, and their only victims were eleven wild pigs, part of a herd which, frightened by gunfire, had run into the Italians and caused panic."**

All the wounded Greeks spoke of the Italian Bersaglieri and Alpini as tough fighters, but said the Blackshirt battalions liked sacking villages, and were poor fighters.

Greek women have asked permission from their King to form a regiment of Amazons, says Ankara radio. The peasant women of the mountains are used to handling rifles, and accustomed to great physical exertion.

# GIFT BY NATIVES OF TANGANYIKA

Natives of the Tanganyika areas of Waikizi and Ngurumbi are determined to play their part along with other citizens of the Empire in helping London men and women rendered homeless through the blitz.

They have donated, respectively, 90 and 125 head of cattle, their most cherished possession, to relieve the distress of air raid homeless.—Reuter.

# PRAYED, SAVED 700 IN TITANIC

Captain Sir Arthur Rostron, one of the world's most famous transatlantic liner captains, the man who saved more than 700 people from the Titanic, has died.

He told the story years after.

"I am a great believer in prayer," he said. 'Always, every night I have said my prayers, and I have never asked for anything without having it granted in some way.

**"That night in mid-Atlantic I knelt beside my bunk in my cabin and prayed that something would happen that would bring lasting honour on my ship, my firm and my wife.**

"I had been in bed about an hour when my chief officer burst open the door of my cabin and rushed in.

He bore the first message for aid sent out from the Titanic.

"I thought that my little ship, the Carpathia, would proudly tow the giant liner into Quebec.

**"I 'knew' the Titanic could not sink. Every sailor 'knew' it. Yet, as I stood on the bridge, I felt myself urged by some power to make preparations.**

"Those preparations were made against my will, and yet something told me I must make them.

"So I ordered all my executive officers to make ready. Stewards got bunks and blankets prepared. Boats were swung out, alert for the tragedy that couldn't happen.

"We steamed on, and then, when the first boats and rafts came into sight, I knew that some great power had guided my action.

(The Titanic sank in the Atlantic at 2.20 a.m. on April 15, 1912; 673 of the crew and 325 passengers were lost.)

# CLUB ONLY SIDE TO IMPRESS IN SEVENS MATCHES

### By "Scrum-Half"

**The four Seven-A-Side Rugby Tournament matches yesterday on the Club ground provided a standard of play much below that of last season, only Club "A" inpressing, and even they had a weakness that may cost them the title—Walkden was "out-hooked," and the forward trio need to exert themselves more in the set scrums.**

Behind the scrum Club are exceptionally strong in attack, though their defence is problematical. "Granny" Bidwell made a welcome return and he struck form in his first game in months.

Van Leeuwen, Thomson, Stewart (Bidwell converted) and Bidwell scored Club's 14 p's.

Middlesex "A" were swept off their feet by the open play of their opponents, with the result that Van Leeuwen was not tested but I still think Club can improve their seven by the introduction of Davies, normally a wing-forward, or Lavalle, a vastly improved player. Both are faster than van Leeuwen and their tackling is sounder.

Police "B" almost eliminated Civil Service. Had their three heavy forwards been able to last the fast pace they themselves set they would have won by an unconverted try scored by Rose early in the first half. As it was the elusive Morgan, key man in the Civil Servants' line-up and who was not as closely watched as he might have been, levelled the scores with a snap try in the closing minute, and in the third half of extra time Forrow, who had previously thrown away two glorious opportunities once he attempted a dropped goal from 40 yards instead of making a dash for the corner flag went over for the winning try after knocking on a good pass from Morgan, who gave him a clear passage to the line.

## Too Much Kicking

Police were all over their opponents in the first half, but once their forwards eased up they lost their grip on the game. Fay and Dingsdale refused to make any attempt to open up the game, preferring to find touch.

Combined Small Units "B" upset my forecast when they beat 12th Heavy Regt. "A" by a try scored from the kick-off for extra time by Wigglesworth, who was always prominent. The kick was attempted, though it was not necessary as the side which scores first during extra time wins.

Small Units were cleaner in their handling of the slippery ball and their tackling was always deadly.

Eddison, who made one really good dribble that gained 30 yards and almost produced a score, and Pratt were others to shine for them.

Bompas and Keeble did well for Gunners, who never settled down to the heavy conditions.

Royal Engineers did not show their best form against 8th Heavy Regt. "B" and a try by Davies that was converted by Birrell with a grand kick was their only score, though, individually, they were much superior to their opponents.

Results were as follows:

| | | | |
|---|---|---|---|
| R.E. | 5 | 8th H.R. "B" | 0 |
| C.S.U. "B" | 3 | 12th H.R. "A" | 0 |
| C. Service | 6 | Police "B" | 3 |
| Club "A" | 14 | Middlesex "A" | 0 |

## SERVICES SIDE FOR SATURDAY

Following have been invited to represent Combined Services against Combined Club and Police on Saturday on the Club ground at 4.15 p.m.—Honywill (Navy); Richards (Army), Douglass (Army), Paul (Navy) and Birrell (Army); Carter (Navy) and Rutherford (Army); Sutherland (Army); Watson (Navy), Bompas (Army); King (Navy), Millar (Army), Pinkerton (Army), Berry (Army) and Poole (Navy).

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# ST. JOHN'S BEAT ST. ANDREW'S

St. John's beat St. Andrew's by 6 games to 3, in "B" Division of the Badminton League, on the latters' court last night.

E. F. Fincher and H. Kew (St. Andrew's).
lost to D. Kwok and H. Eardley 12—21
lost to N. L. Smith and P. Wilson 21—21
beat G. S. Ladd and R. Maynard 21— 3

H. Brown and S. A. Gray (St. Andrew's).
lost to Kwok and Eardley 22—24
lost to Smith and Wilson 21—21
beat Ladd and Maynard 21—12

M. M. Davies and B. Gillespie (St. Andrew's).
lost to Kwok and Eardley 12—21
lost to Smith and Wilson 12—21
beat Ladd and Maynard 21—14

## J.R.C. v Recreio

In a match on the fixture-list for yesterday which was played last week, Club de Recreio beat Jewish Recreation Club by 6—3.

Following were the scores:—

S. Ramler and B. Godkin (J.R.C.).
lost to C. C. Pereira and E. A. R. Alves 13—21
lost to W. Lawrence and A. E. Noronha 16—21
beat A. E. Xavier and E. M. Alarcon 21—12

J. Odell and M. Talan (J.R.C.).
beat Pereira and Alves 21—16
lost to Lawrence and Noronha 13—21
beat Xavier and Alarcon 21—11

A. R. Pollak and L. Landau (J.R.C.).
lost to Pereira and Alves 19—21
lost to Lawrence and Noronha 3—21
lost to Xavier and Alarcon 7—21

## LEAGUE TABLE

SECTION "A"

| | Games P. | L. | W. | F. | A. | Pts. |
|---|---|---|---|---|---|---|
| King's | 6 | 1 | 5 | 39 | 10 | 10 |
| Chung Wah | 4 | 1 | 3 | 27 | 9 | 6 |
| Recreio | 6 | 2 | 3 | 24 | 21 | 6 |
| V.R.C. | 4 | 3 | 1 | 10 | 26 | 2 |
| J.R.C. | 6 | 6 | 0 | 12 | 42 | 0 |

SECTION "B"

| | | | | | | |
|---|---|---|---|---|---|---|
| K.C.C. | 6 | 0 | 6 | 36 | 19 | 12 |
| St. John's | 6 | 1 | 5 | 37 | 17 | 10 |
| St. Andrew's | 6 | 4 | 2 | 27 | 27 | 4 |
| Kowloon Tong | 6 | 4 | 2 | 24 | 30 | 4 |
| Police | 6 | 6 | 0 | 11 | 43 | 0 |

# "NEEDLE" CRICKET MATCH

A match which will probably decide the Senior Cricket championship will be played on Saturday at Cox's Road. It will be between the holders, Kowloon Cricket Club, and Club de Recreio and the following teams have been selected:—

Kowloon C.C. — E. C. Fincher, N. D. Lloyd, D. J. N. Anderson, E. F. Fincher, N. A. E. Mackay, D. Hung, A. Zimmern, F. R. Zimmern, R. E. Lee, F. J. Lay and R. T. Broadbridge. Scorer T. W. Carr; Umpire J. R. Robinson.

Recreio. — E. L. Gosano, W. A. Reed, A. M. Rodrigues, A. M. Pdata, H. L. Ozorio, L. G. Gosano, J. M. Gosano, G. N. Gosano, E. M. L. Soares, N. A. Beltrao and P. M. N. da Silva, jr.

## Match Postponed

The match between Kowloon Tong and Police was postponed.

# TANGIER DISPUTE

## Anglo-Spanish Negotiations Still Hang Fire

## Seizure Of Polish Property

The Germans are steadily expropriating all Polish property and business undertakings in the principal Polish towns, Reuter learned from Polish circles in London yesterday.

In Nazi Poland's largest textile town, according to reports published in the local Nazi organ, 76 private banks, 4,300 factories, including all leading textile factories, 500 depots for textile raw materials and finished goods, 8,500 shops selling hosiery, haberdashery, ready-made clothes and fancy goods, and 12,000 small business firms have hitherto been taken over.

Over 3,000 German "special trustees" have been installed in these concerns. They receive high salaries at the expense of the former owners and shareholders. --Reuter.

## RUSSIA AS BALKAN GUARDIAN?

Yugoslavia appears to share none of the apprehensions of her neighbours and complete calm prevails in Belgrade.

The impression persists among the ordinary public that peace is safe in the Balkans, through the beneficial intervention of Russia, who is considered to have constituted herself the guardian of Balkan tranquility.--Reuter.

## Serious Views Expressed

**THE ANGLO-SPANISH negotiations over Tangier are still hanging fire.**

The Under-Secretary for Foreign Affairs, Mr. R. A. Butler, told questioners in the Commons yesterday he regretted he was still not in a position to make a final statement.

Mr. F. Cocks (Lab.) asked whether the Spanish pledge that the neutrality of Tangier carried an assurance that Tangier would not be used as a base for operations against French Morocco.

**Mr. Butler, on behalf of the Foreign Secretary, refused to accept the implications which appeared in that query.**

Mr. Geoffrey Mander (Liberal) asked: "What is holding up a settlement, in view of the fact that many weeks if not months, ago unilateral action was taken in abuse of British rights?

"Is it not time we got some satisfaction?"

### View Shared

Mr. Butler said that Mr. Mander's view was shared by Government and added that the Spanish Foreign Minister had been away from Madrid and that accounted partly for the delay. Mr. Eden had already said the negotiations had been proceeding satisfactorily. -- Reuter.

## POSTMEN IN THE BLITZ

"You could in that one room feel the German blight creeping over civilisation, bringing for a time the silence of the tomb to the inter-communication of men. But we shall hear all the keys tapping again when the blight is destroyed."

The Postmaster-General thus described yesterday the experience of the central telegraph office where, he said, in peacetime might be seen post office telegraphists communicating with the chief towns of Europe.

Speaking of conditions under which post office workers carried on in spite of raids Mr. Morrison said he had seen postmen and letter sorters the morning after a raid calmly performing their duties although the roof above them was hanging in ruins and mail bags had to be dug out from piles of debris. He had seen a great telephone exchange with bombs of large size within a few feet of it's foundations and the staff of men and women, informed of its presence, electing to carry on during days which it took to dig it out rather than be evacuated, so that the public service should be maintained.—British Wireless.

## TORNADO FIGHTERS

MR. THOMAS BAKER, A NEW ZEALANDER RESIDENT IN THE STRAITS SETTLEMENTS, IS THE FIRST TO PURCHASE THE RIGHT TO NAME TWO TORNADO FIGHTERS.

His latest gift of £10,000 brings his total contribution to the Aircraft Fund to £30,000.

Mr. Baker, who is 84 and owns rubber plantations and tin mines in Malaya and sheep and cattle farms in Australia and New Zealand, was the founder in the last war of Australian and Malayan battle 'plane squadrons numbering 94 machines.—British Wireless.

## TRIBUTES TO DR. LI SHU-FAN

Tributes to the work in Legislative Council of Dr. Li Shu-fan were paid at this morning's meeting by the Hon. Mr. N. L. Smith, and the Hon. Mr. M. K. Lo.

Mr. Lo said the event was unique in that his was the first case in which a Chinese Member of Council had been unable to accept a reappointment for a second term for reasons of health.

## German 'Planes Try Intimidation On Greece

Reliable reports that German 'planes made reconnaissance flights over Greece on Tuesday are taken in Belgrade to indicate that Hitler is going forward with his nerve war in an attempt to force Greece to give up the struggle against Italy.

It now seems clear that he may try intimidation before risking a conflict by sending troops to the Greek frontier.

The German 'planes dropped no bombs and were not fired on by the Greeks. It is not known whether they used Bulgarian or Rumanian bases.—Reuter.

## STOP PRESS

The Prime Minister, accompanied by General de Gaulle, G.O.C. Free French Forces, and General Sikorski, Polish Prime Minister, witnessed a tank demonstration somewhere in England at which the capabilities of armoured fighting vehicles in rough country were shown.

Mr. Churchill saw an armoured wireless car which bore his name and made a close investigation of it. He also saw anti-tank guns and Bofors guns and watched a "battle" from a neighbouring hilltop.—British Wireless.


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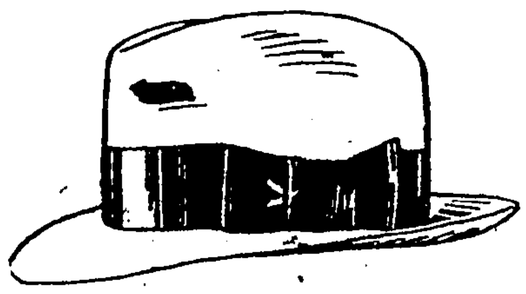

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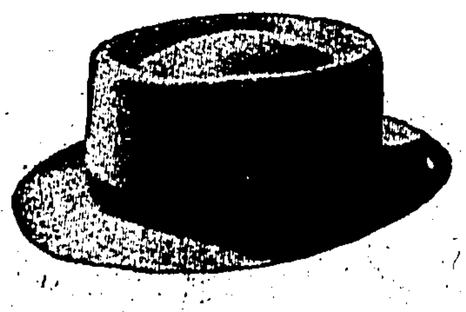

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Printed and Published for the Proprietors, The Newspaper Enterprise Ltd., by GORDON CADE BURNETT, Windsor House, Victoria, Hong Kong.